Daily Report

Latin America

FBIS-LAT-91-211
Thursday
31 October 1991

Daily Report
Latin America

FBIS-LAT-91-211 31 October 1991

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTER-AMERICAN AFFAIRS

Venezuela's Perez Opens OLADE Meeting *[Caracas TV]* 1
Latin American Political Parties Open Meeting *[Madrid EFE]* 1
Argentina, Brazil Ratify Treaty of Asuncion *[Asuncion HOY 31 Oct]* 1
Central American Assembly Presidents Meet *[Tegucigalpa TV]* 1
Human Rights Organization on Peace in El Salvador *[Mexico City NOTIMEX]* 2

CARIBBEAN

Cuba

Station Lists Communist Party Politburo Members *[Havana TV]* 3
Commentary on Food Program, Free Peasant Markets *[Havana Radio]* 3
Castro Visits Site of Biological Center *[Havana Radio]* 4
Diesel, Fuel Oil Mixture Alternatives Noted *[Havana Radio]* 4
Commentary on Madrid Peace Conference *[Havana Radio]* 4
Official Discusses Regional Nuclear Ban *[Havana Radio]* 5
First Havana-Caracas Charter Arrives *[Havana TV]* 6
Consul General to Colombia Takes Office *[Havana Radio]* 6

Inter-Caribbean

Caricom Chairman on OAS Mission to Haiti *[Bridgetown CANA]* 6

Dominican Republic

Taveras Warns of Haitian 'Social Cataclysm' *[Santo Domingo Radio/TV]* 7
Commentary Deplores Aristide's Visit Plans *[Santo Domingo Radio/TV]* 7

Haiti

Aristide Supporters Arrested; Radio Shut Down *[Bonaire Radio]* 7
Government Announces Supreme Court Appointments *[Port-au-Prince Radio]* 8
Government Issues Names of Recalled Diplomats *[Port-au-Prince Radio]* 8
Provisional Government Appoints New Employees *[Port-au-Prince Radio]* 8
Information Sought on Citizens at French Embassy *[Port-au-Prince Radio]* 8
Deputy Protests Constitutional Violations *[Port-au-Prince Radio]* 8
Sylvio Claude Family Contests Party Nomination *[Port-au-Prince Radio]* 9

El Salvador

FMLN's Jovel Comments on Elections, Dialogue *[Mexico City NOTIMEX]* 9
Rebels Welcome Cut in U.S. Military Aid *[San Salvador Radio]* 10
Vargas Justifies Recent Military Operations *[San Salvador Radio]* 10
'Counterinsurgency Operation' Under Way in Guazapa *[San Salvador Radio]* 11
ERP Commander Melendez on Negotiations *[Radio Venceremos]* 12
Roundup of Guerrilla Activities 20-26 Oct *[Radio Farabundo Marti, etc]* 13
FMLN Affirms Support for Social Transformation *[Radio Venceremos]* 14

Guatemala

Belizean Prime Minister Calls For Peace *[EL GRAFICO 28 Oct]* 15

Honduras

Callejas Endorses International Observers' Role *[LA TRIBUNA 29 Oct]* 15
Unions Agree To Support Banana Workers, Strike *[Mexico City NOTIMEX]* 16

Nicaragua

PNC Seeks To Suspend FSLN Legal Capacity *[Managua TV]* 16
PNC Statement Criticizes Sandinist Policies *[LA PRENSA 28 Oct]* 16
PSD Supports Election Financing Investigation *[Managua Radio]* 17
Central Bank President on Loans, Debts *[Managua Radio]* 17
Sugar Workers Begin General Strike 28 Oct *[BARRICADA 29 Oct]* 18
Movement To Promote 'Gradual Demilitarization' *[Managua Radio]* 19
* Civilian Control of Armed Forces Urged *[LA PRENSA 2 Oct]* 19
* Withdrawal of Property Law Veto Praised *[LA PRENSA 3 Oct]* 20
* Government Negligence Blamed for Rural Unrest *[BARRICADA 25 Sep]* 20

Panama

Doctors Strike Successful, Gains Union Support *[EL SIGLO 30 Oct]* 21
Endara Makes Supreme Court Justice Appointments *[EL PANAMA AMERICA 25 Oct]* 22
Police Discover Missiles, Military Equipment *[LA PRENSA 28 Oct]* 22
Court Upholds Government Extradition Order *[EL PANAMA AMERICA 30 Oct]* 23
Japanese Embassy States Financial Aid Position *[EL PANAMA AMERICA 29 Oct]* 23
IDB Official on Economic Future, Adjustment *[LA ESTRELLA DE PANAMA 29 Oct]* 24

SOUTH AMERICA

Argentina

Police Official Calls Budget Allocation Unfair *[NOTICIAS ARGENTINAS]* 25
Army Chief of Staff Petitions for Retirement *[TELAM]* 25
Commentary Cites Infighting Within Government *[CLARIN 27 Oct]* 25
* Rico's Biography, Political Views Reported *[SOMOS 23 Sep]* 26

Bolivia

Government To Mediate Ecuadoran-Peruvian Dispute *[EL DIARIO 27 Oct]* 30
Official Cites Increased Drug Activities *[PRESENCIA 25 Oct]* 31
Entel To Install Earth Satellite Stations *[PRESENCIA 19 Oct]* 31

Brazil

Marques Dismisses Shock Measures, Hyperinflation *[Brasilia Radio]* 22
Central Bank Increases Rates; Stops Buying Gold *[O ESTADO DE SAO PAULO 29 Oct]* 32
Assessment of BC's Actions *[O ESTADO DE SAO PAULO 29 Oct]* 32
Police Seize 300,000 Counterfeit Dollars *[Brasilia Radio]* 33
* GDP Up 7.7 Percent in Second Quarter *[GAZETA MERCANTIL 9 Oct]* 34
Schedule of Further Privatizations Announced *[Brasilia Radio]* 35
Celma Auction Postponed *[Brasilia Radio]* 35
Plan To Mark Indian Reservations Announced *[Rio de Janeiro TV]* 35
Rezek Notes Steps for Implementing Mercosur *[Brasilia Radio]* 35
Jobs for GDR Citizens Discussed With Kohl *[O ESTADO DE SAO PAULO 29 Oct]* 36

Chile

Controversy Between Aylwin, Opposition Explained *[Santiago Radio]* 36

Party Leaders Support Presidential Mandate *[Santiago Radio]* 36
PPD Deputy Discloses Secret Pinochet Spending *[Santiago Radio]* 37
Inquiry of Colonels in Letelier Case Suspended *[Santiago Radio]* 37
Faction's Charges of Persecution Refuted *[EL MERCURIO 24 Oct]* 38
Guerrilla Faction Leader Denounces Repression *[EL MERCURIO 22 Oct]* 38
Peruvian Official, Rojas Discount Arms Buildup *[Santiago TV]* 38
Official on Case of Illegal Korean Immigrants *[Santiago TV]* 39

Colombia

Government Introduces New Monetary Measures *[Santa Fe de Bogota TV]* 39

Ecuador

Guerrilla Leader Calls Comrades 'Traitors' *[Mexico City NOTIMEX]* 39

Peru

Fujimori on Prime Minister's Possible Resignation *[Lima TV]* 40
Fujimori Visits Spain, France, Italy *[cross-reference]* 40
Public Poll Reports Low Police Prestige *[Lima TV]* 40
* Correction to Document on Human Rights Policy 41

Venezuela

Government Suspends Oil Shipments to Haiti *[AFP]* 41
Lack of Potable Water Service Sparks Protests *[AFP]* 41
*Police Shortage, Lack of Uniform Laws Detailed *[EL NACIONAL 23 Sep]* 41

Venezuela's Perez Opens OLADE Meeting

PA2810221491 Caracas Venezolana de Television Network in Spanish 1550 GMT 28 Oct 91

[Text] Venezuelan President Carlos Andres Perez on 28 October opened the 22d Ministerial Meeting of the Latin American Energy Organization [OLADE]. The issues that will be discussed during the meeting will include energy efficiency and a strategy for sustainable development. The ministers will also assess the damage to Latin America and the Caribbean caused by energy consumption.

[Begin recording] [Perez] It is impossible to imagine OLADE within anything but the exact and positive parameters of regional integration. Today, fortunately, we can all say to ourselves that we have progressed objectively in the integration process. It is within this framework that OLADE acquires its true meaning, all the importance and significance for which it was designed and by which it has remained during these past 19 years. Even though its accomplishments are not quantifiable, as many of us would like to do, it is a structure that has been perfected and is important to the energy supply and security of Latin America.

We can meet today and express our conviction that this 22d meeting of OLADE ministers will result in real conclusions of great regional significance.

[Mines and Energy Minister Celestino Armas] It is stimulating to observe and confirm the progressive technical improvement and institutional strengthening of our continent's principal energy organization. I would even dare to say that in recent years OLADE has received renewed encouragement by working with determination. By surpassing skepticisms, OLADE has been able to consolidate into an effective tool of qualified technical support for the ever more frequent and ambitious energy initiatives that are being put into effect by the Latin American and Caribbean heads of state.

[OLADE President Armando Ribeiro Araujo] Among its regional integration responsibilities, it is important to point out the support our organization provides to initiatives throughout the region through research projects aimed at strengthening energy integration, especially in the sectors of hydrocarbons, natural gas, and electricity.

We must also acknowledge the remarkable progress made in our relations with other development organizations and agencies within the framework of international cooperation. With their valuable technical and financial support, projects of far reaching effect in the energy sector are currently being carried out. [end recording]

After 19 years the OLADE ministers meet again in Caracas with the participation of 33 regional ministers. Issues under discussion include ties between energy consumption and the environment and the commitment of industrialized nations against environmental pollution.

Latin American Political Parties Open Meeting

PY2610234091 Madrid EFE in Spanish 2007 GMT 26 Oct 91

[Text] La Paz, 26 Oct (EFE)—Today in La Paz, South American politicians opened the first meeting of the Permanent Conference of Latin American Political Parties (COPPPAL) to discuss drug enforcement strategies and regional development policies.

The strongest Latin American political parties that belong to COPPPAL are participating in this meeting, which is being held at a downtown hotel in La Paz.

Among the issues on the meeting agenda is militarization of the anticorcotics struggle and Andean strategies for alternative rural development aimed at replacing coca plantations, according to Alfonso Alem, a leader of the Free Bolivia Movement.

President Jaime Paz Zamora's Movement of the Revolutionary Left and Bolivia's Nationalist Revolutionary Movement have sent representatives to this first COPPPAL meeting. Also present are representatives from PRI [Institutional Revolutionary Party], Mexico; Change 90 and APRA [American Popular Revolutionary Alliance], Peru; Broad Front, Uruguay; Justicialist Party, Argentina; Lula da Silva's Workers Party, Brazil; and various Chilean, Paraguayan, Ecuadoran, Venezuelan, and Caribbean parties.

After Peru, Bolivia is the world's second top producer of coca. According to the latest reports from international drug enforcement organizations, it also ranks second in the capacity to refine the drug, after Colombia.

Argentina, Brazil Ratify Treaty of Asuncion

PY3110133091 Asuncion HOY in Spanish 31 Oct 91 p 10

[Excerpt] During a ceremony held at the auditorium of the Central Bank, Argentine Foreign Minister Guido di Tella and Brazilian Foreign Minister Francisco Rezek deposited the instruments that ratify the Treaty of Asuncion, which in turn creates the Common Market of the South (Mercosur). President Andres Rodriguez, Chilean Foreign Minister Enrique Silva Cimma, and Uruguayan Acting Foreign Minister Eduardo Mezzera witnessed the event. Thus, the four signatory countries of the agreement have now complied with what is established in the document. [passage omitted]

Central American Assembly Presidents Meet

PA3010214491 Tegucigalpa Telesistema Hondureno Television Network in Spanish 0100 GMT 30 Oct 91

[Report by Edgardo Melgar]

[Text] The ninth meeting of the presidents of Central American congresses and legislative assemblies took place 26 to 27 October in El Salvador. The participants

analyzed, among other things, the economic development and the peace process in the region, which has been affected by an overwhelming economic crisis. The steps taken to attain peace in the region, particularly in El Salvador, were analyzed.

The participants considered the support that the legislative branches may offer to the Central American Parliament [Parlacen], which was installed on 28 October in Guatemala City. Rodolfo Irias Navas, president of the National Congress, represented Honduras at this meeting. He praised his Central American colleagues' efforts to orchestrate homogeneous economies and democratic systems in the region.

[Begin Irias Navas recording] Democracy is today in Central America the common denominator of the peoples, who have found in free elections the representation of their sovereign will and the making of their destiny. Democracy is now for us, Central Americans, not the utopia our predecessors endorsed, but the reality that allows us to embrace the cause of unity and cooperation. It permits us to share our achievements and sorrows; face adversities decidedly; and design schemes that will allow us to live in the Central America that Francisco Morazan wished. [end recording]

Irias Navas played an important role at this meeting and he received the admiration and respect of the presidents of congresses and legislative assemblies of Central America, given his youth and his work at the helm of the Honduran National Congress.

We offer our unconditional support, the presidents of Central American congresses said, to the Parlacen by providing the technical, political, and institutional resources of our congresses and assemblies to facilitate the delicate integrationist task. The participants at this meeting reaffirmed their unconditional support of the efforts being made to attain peace and consolidate democracy in the Republic of El Salvador.

This meeting yielded positive results and it improved the image of Honduras. Honduran representative Rodolfo Irias Navas voiced his interest in rescuing neighboring countries from falling prey to violence and making efforts to achieve social and equitable development in Central America.

Human Rights Organization on Peace in El Salvador

PA2810221591 Mexico City NOTIMEX in Spanish 1010 GMT 24 Oct 91

[Text] San Jose, 25 Oct (NOTIMEX)—The Commission for the Defense of Human Rights in Central America (Codehuca) said in San Jose that, unless several requirements are met in advance, the peace in El Salvador may turn out to be only "false illusions and dead letters."

In a communique, Codehuca emphasized that human rights violations will have to cease in El Salvador to comply with the agreement signed by the Salvadoran Government and the guerrillas in New York on 25 September.

According to the commission, the agreement between the Alfredo Cristiani administration and the Farabundo Marti National Liberation Front gives hope but does not mean that injustice and death have ended in that country.

It added that events in El Salvador during the past weeks have not contributed to an adequate climate for peace.

As an example, it noted that ranking Salvadoran Armed Forces officers were not brought to trial although they were involved in the 1989 murder of the Jesuit priests.

The same thing occurred with the legal procedures in other cases of political murder, Codehuca added.

The Central American organization pointed out that the harassment of people linked to humanitarian and human rights organizations by "death-squad" members is a negative factor that will hinder the implementation of the agreement.

"The Christian Committee for Displaced Salvadorans, the Salvadoran Human Rights Commission leaders, and the missionaries of "The Small Community," have suffered harassment, the document indicated.

In other examples the document cites the "open repression" of military operations against repopulated communities in Nueva Trinidad, Segundo Montes, La Mora, and others.

Codehuca insisted that the international community and organizations and states that have acted as guarantors of the agreement have a responsibility and must observe events in El Salvador from now on.

Cuba

Station Lists Communist Party Politburo Members

FL3010161091

[Editorial Report] Havana Tele Rebelde Network in Spanish at 0247 GMT on 21 October carries a four minute unscheduled segment with the photographs, names, and titles of all the members of the Politburo of the Central Committee of the Communist Party of Cuba [PCC] chosen during the Fourth PCC Congress held at the Heredia Theater in Santiago de Cuba. As the photographs appear on the screen, an unidentified announcer reads the names and titles of each politburo member as follows:

First Secretary: Commander in Chief Fidel CASTRO Ruz, president of the Councils of State and Ministers.
Second Secretary: Army General Raul CASTRO Ruz, first vice president of the Councils of State and Ministers, Minister of the Revolutionary Armed Forces.
Commander of the Revolution Juan ALMEIDA Bosque, vice president of Council of State, chairman of the Control and Review National Committee.
Carlos ALDANA Escalante, party leader.
Concepcion CAMPA Huergo, president, general director, Finlay Institute.
Division General Julio CASAS Regueiro, first vice minister of the Revolutionary Armed Forces.
Osmany CIENFUEGOS Gorriaran, vice president of the Councils of State and Ministers.
Division General Leopoldo CINTRA Frias, chief of the Western Army, hero of the Republic of Cuba.
Army Corps General Abelardo COLOME Ibarra, Minister of Interior, hero of the Republic of Cuba.
Maria de los Angeles GARCIA Alvarez, member of the Executive Bureau of the PCC Provincial Committee in Santiago de Cuba.
Yadira GARCIA Vera, member of the commander in chief's coordination and support team.
Alfredo HONDAL Gonzalez, first secretary of the PCC in Ciego de Avila Province.
Alfredo JORDAN Morales, first secretary of the PCC in Las Tunas.
Carlos LAGE De Avila, member of the Council of State.
Juan Esteban LAZO Hernandez, first secretary of the PCC in Santiago de Cuba.
Jorge LEZCANO Perez, first secretary of the PCC in City of Havana Province.
Jose Ramon MACHADO Ventura, party leader, vice president of the Council of State.
Candido PALMERO Hernandez, chief of the Blas Roca Calderio Contingent.
Abel PRIETO Jimenez, president of the National Cuban Writers and Artists Union.
Julian RIZO Alvarez, party leader.
Roberto ROBAINA Gonzalez, first secretary of the Union of Young Communists.
Carlos Rafael RODRIGUEZ Rodriguez, vice president of the Councils of State and Ministers.
Division General Ulises ROSALES del Toro, first vice minister of the Revolutionary Armed Forces, chief of general staff, hero of the Republic of Cuba.
Pedro ROSS Leal, secretary general of the Central Organization of Cuban Trade Unions.
Nelson TORRES Perez, first secretary of the PCC in Cienfuegos Province.

Commentary on Food Program, Free Peasant Markets

PA3110001991 Havana Radio Havana Cuba in Spanish 1400 GMT 30 Oct 91

[Commentary by Roberto Morejon]

[Text] The Cuban food program is based on the country's real need to satisfy the increasing demand for food with unique methods.

The plan is part of the process of rectifying those errors made in the economics field, one of which is the so-called free peasant market, eradicated in 1986 because of its negative results. This type of market, through which private farmers sold their produce in cities, flourished in Cuba in the early 1980's with high social and economic costs and the accelerated enrichment of peasants and middlemen thanks to profiteering with unrestricted prices.

The artificial and unjustified increase in these types of anarchic transactions took place while the state agricultural system was disorganized and productive programs lacked integrality.

During the current special period, characterized by emergency programs and perceptible material austerity, some people are calling for the return of the free peasant markets and are forgetting about the damage caused to the country while they existed.

To counter these viewpoints, reality shows it is impossible for 63,000 private farmers throughout the island to meet the full demand required by 10 million inhabitants for beef and vegetables with 18 percent of cultivable lands.

It is well known that small private property has not been able to resolve national supply problems in numerous countries, where, on the contrary, there is a tendency for the mechanization and concentration of lands, which is the main objective of the Cuban authorities. Since 1959, the government decided to develop a modern, mechanized, and highly productive agriculture, a plan which has not produced results because of the reasons mentioned but that should yield results in the short- and medium-term.

Small landowners are not the solution. On the contrary, vanguard groups or contingents have been created in Cuba, the members of which will permanently live in rural areas. They are receiving technical assistance

promptly and new organizational methods are being introduced as the only means to guarantee our agricultural future.

Castro Visits Site of Biological Center

FL3010215091 Havana Radio Progreso Network in Spanish 1725 GMT 30 Oct 91

[Text] Yesterday afternoon, Commander in Chief Fidel Castro Ruz visited the National Center for Biological Products located in Havana Province. During his tour of the research center, Castro was accompanied by Rafael Nunez, first party secretary in the municipality, and (Mayo Junco), the chief of Brigade 25 of the Blas Roca Calderio Contingent and an alternate member of the party's Central Committee. Here, Fidel learned of the progress of the center and the state of the construction and evaluated it as appropriate. He spoke with the workers and was interested in how they are treated, among other things.

Furthermore, he expressed satisfaction at the progress in building the Cenpalab [Center for the Breeding of Laboratory Animals] and the Center for Biological Products, which are being constructed by the men of the Blas Roca Calderio Contingent. Fidel called for support to the party of the municipality and for the possible analysis of a ring road in Bejucal.

Diesel, Fuel Oil Mixture Alternatives Noted

FL3110021891 Havana Radio Rebelde Network in Spanish 0000 GMT 31 Oct 91

[Text] A mixture of fuel oil and regular diesel to be used as fuel in Western Division trains and in vehicles belonging to the Freight Truck Enterprise could save Cuba more than $3 million yearly. This premise has recently been tested by specialists from the Transportation Research Institute on the Havana-Los Palos railway line and in freight trucks. It was demonstrated that mixing the two fuels meets the fundamental working parameters.

After the experiments were completed, the construction of four fuel-mixing plants was approved at railway installations in Havana, Sagua la Grande, Moron, and Santiago de Cuba. Similar plants will also be located at facilities that now supply the trucking enterprises.

Commentary on Madrid Peace Conference

FL3010225591 Havana Radio Rebelde Network in Spanish 1253 GMT 30 Oct 91

["Our Opinion" commentary read by Orlando Contreras]

[Text] I believe there are some issues to think about regarding the first 45-minute session of the Middle East Peace Conference in Madrid which concluded this morning. The presence of 4,500 journalists in the capital of Spain, the large number of beggars, prostitutes, peddlers, and the action of a real security army are all factors that give color to the long awaited peace conference sponsored by the United States and the Soviet Union. However, the conference does not get to the bottom of the problem.

What is being negotiated? Or better yet, what is negotiating in international politics? The Palestinians, supported by the Arab community, demand the formation of a state. It could be an exclusively Palestinian state of secular and multinational nature or a Jordanian-Palestinian state. To be able to carry out this plan, Israel must obviously withdraw from the occupied territories. Israel has agreed to give some autonomy to the Palestinians under the jurisdiction of Israel, but it does not accept the UN Security Council resolution that urges Israel to return the territories taken by force. On the contrary, Israel has reaffirmed its desire to continue the colonization of the occupied territories.

The Zionist state claims that these territories belonged to their ancestors. History, as far as we know, points out that some 4,000 years BC a Semite people, who came from the Arabian peninsula, settled in these lands, which were known, back then, as Canaan and later known as Palestine. One of those Canaanite tribes, the Jesubites, built a small city, which they called Yerushalayim, Jerusalem. Philologists says that Yerushalayim is a combination of two words that mean city of peace. In Arabic, the word for peace is salaam and in Hebrew shalom.

In 3,200 BC the forces of the Egyptian pharaohs occupied parts of Canaan. In 2,000 BC another nomad people, the Hebrews, passed through Palestine and headed south. They were led by Abraham. Seven centuries later, 12 Hebrew tribes led by Moses returned to these lands. According to the Bible, and I quote Joshua 15:63, as for the Jesubites, the inhabitants of Jerusalem, the children of Judah could not drive them out. In summary, Palestinians and Hebrews are ethnically and historically like cousins. Both are Semites and both have occupied the lands of Canaan. We could say because of their ancestors the Jesubites, it is clear that the Palestinians occupied the land 2,000 years before the Hebrews.

In 1947, I am abbreviating history as much as I can, the UN General Assembly approved a new partition plan to form a Palestinian-Arab nation and a Jewish nation. One year later, a UN resolution was passed and the State of Israel was created and the demands of the Palestinian people to have their own homeland in the lands of their ancestors were set aside.

Based on these and other previous situations, to negotiate is to seek a way to reach an understanding that will permit the Palestinian-Arabs and Jewish-Hebrews to have their own state and their own national identity, in a specific geographic area. The Palestinians and the Arab countries who have had their territories occupied have already made some concessions, which were established at the Rabat summit in 1981, Fes summit in 1982, and

other Arab summits. In essence, it was at these meetings, and I emphas ze the Fes summit, that the plans that the Arabs and th Palestinians bring today to Madrid were made. It was not easy to arrive at these agreements; there were even disagreements, many times strong disagreements, among the Arabs and among the Palestinians.

If we accept that the principle of negotiating is making mutual concessions that do not affect the issues of principles —because that is what negotiating means in international law—then the Arabs and the Palestinians are willing to negotiate in Madrid. But the obvious question is: Is Israel willing to negotiate? According to what Yitzhaq Shamir has said—which is not to return a single inch of the occupied Arab territories and maintain the colonization of those territories—Israel is not willing to negotiate. These, are the facts today, on the first day of the Middle East Peace Conference.

Official Discusses Regional Nuclear Ban

PA311002399] Havana Radio Havana Cuba in Spanish 0000 GMT 30 Oct 91

[Interview on the Tlatelolco Treaty with Ambassador Jorge Morales by Barbara Bethancourt in Havana; date not given—recorded]

[Text] [Bethancourt] Cuban authorities have recently announced their willingness to sign the Tlatelolco Treaty. This treaty sets out the nonproliferation of nuclear weapons once all Latin American nations comply with this legal document. This willingness was expressed in Fidel Castro's message at the Guadalajara summit in June. It was also expressed in the resolution on foreign policy approved in the recent Fourth Congress of the Communist Party of Cuba [PCC]; and even more recently, when Cuban President Fidel Castro participated in the Group of Three summit that was also held in Mexico, on Cozumel.

Today we are going to discuss all of this with Jorge Morales, Cuban Foreign Ministry ambassador and adviser on disarmament and nuclear issues [name and title as heard]. I want to thank Morales for meeting with me. I would like him briefly to explain to us—although the subject is very extensive—this Tlatelolco Treaty on the nonproliferation of nuclear weapons that was drawn up 24 years ago.

[Morales] As you know, the treaty was drawn up on 14 February 1967. This treaty comes into effect in each nation individually, when it signs the treaty. The objective of the treaty is to banish nuclear weapons from Latin America—that is, to turn Latin America into a nuclear free area.

[Bethancourt] As a matter of fact, 24 years ago this would have been the first nuclear free area in the world.

[Morales] This would have made it the first nuclear free inhabited area, because there is an Antarctic treaty that has the same objective. This treaty would be the first to cover an inhabited area.

[Bethancourt] What nations initially—and in general what is the status—what Latin American nations have signed this treaty that was drawn up 24 years ago?

[Morales] To date, 26 Latin American nations have either signed and ratified or signed the treaty. In addition, there is a group of nations with special status. The treaty is in effect for those who have signed and ratified it; however, a group of nations has a particular status within the treaty. For example, Brazil and Chile have signed and ratified the treaty. Nevertheless, Article 28 offers the possibility that the treaty will not be in effect in a specific nation if that nation submits a statement indicating that the treaty will be in effect once all of the conditions provided in Article 28 are met.

[Bethancourt] What about Argentina?

[Morales] I am getting to that. There are other nations that have signed the treaty, but have not ratified it; that is the case with Argentina. There is also the case of Dominica, which signed the treaty in 1989. These two nations have taken a step forward in the treaty; they have signed, but they have not ratified it. Therefore, this removes them somewhat from the position of Brazil and Chile. There is now a group of nations with no relation whatsoever to the treaty. Although they are in the region, they have neither signed nor ratified the treaty. This is the case with Guyana, Belize, St. Lucia, St. Vincent and the Grenadines, St. Kitts and Nevis; and there is the case of Cuba. We are of course following these negotiations very closely, as there are indications that progress is being made. There are possibilities that this agreement will be accepted. This would open the door for the signing and ratifying or the entering into force of the treaty by these two nations [sentence as heard]. Regarding Chile, it has inferred that, once Argentina and Brazil take this step, it would also adopt this same position.

[Bethancourt] As far as Cuba is concerned, judging from what has been established in the [PCC] resolution on foreign policy, the same position is held. That is, when all of Latin America has signed this treaty, then there would be no problem for Cuba to sign the treaty too.

[Morales] We have made a statement in this regard; however, we have also pointed out that the difficulties or problems that have not allowed Cuba to cooperate in the treaty continue to exist.

[Bethancourt] I would like you to tell us why Cuba has not yet signed this treaty.

[Morales] There are aspects that are directly linked to the Cuban case as well as to the region. The three aspects linked to the Cuban case are: First, the aggressive U.S.

policy toward Cuba, which has not ruled out the possibility of using any type of weapon, including nuclear weapons, to destroy the Cuban revolution. We have also taken into consideration that we should not waive our rights to possess the weapons that may be necessary for our defense. That is the first thing. The second is the existence of the naval base in Guantanamo, a naval base where—following U.S. policy—boats dock without making any declaration as to what weapons they are carrying. They could be carrying nuclear weapons. We do not know, and therefore we consider this as a violation to the treaty. There is also the problem of the blockade against Cuba. Those are the three aspects that we can say are directly linked to the Cuban case. The two other aspects that we consider important are the case of Puerto Rico, which has U.S. military bases in that nation that are also prepared in case of a nuclear war, as well as the [Panama] Canal Zone.

[Bethancourt] Morales, I would like to return to the Cuban case. As you have said, many of the conditions that did not allow us to sign treaty at the beginning still prevail: the naval base is still there, the situation in Puerto Rico is the same, the U.S. blockade and aggression against our nation continue. Why then does Cuba now demonstrate at least its willingness to sign the treaty at some time?

[Morales] There is great interest in Latin America for the treaty to become effective, and the treaty cannot become effective for the total area unless all Latin American nations sign and ratify it. This has been the case since the treaty was drawn up in 1967. The treaty becomes effective in each nation individually. Nevertheless, in addition to that individual area in which the treaty comes into effect for each nation, there is a much broader area that is not affected until all nations in the region have signed and ratified the treaty. It is obvious that the position now adopted by Argentina, Brazil, and possibly Chile would only leave a very small number of nations without any nuclear activity [sentence as heard]. We believe that they will sign the treaty in the future. The Cuban case would be the only one left. We have always said that we respect the spirit of the treaty. Therefore, taking into consideration the situation of Latin America, taking into consideration our interest in integration, taking into account that there is an interest in Latin America for this treaty to become effective, it has been considered appropriate to offer this sample of Cuban interest in the integration of Latin America by resolving the problems that could block the treaty from going into effect. Consequently, we have officially stated that once all Latin American nations sign and ratify this treaty and once it comes into effect in these nations, Cuba would then be willing to take the corresponding steps in its obligations with the region regarding the treaty.

[Bethancourt] Then, can Cuba's willingness be considered as a sample or a contribution toward Latin American integration?

[Morales] That is the spirit of our position. We have already officially stated that the conditions for Cuba not signing or ratifying the treaty continue to prevail. Therefore, the only objective that has varied the Cuban position is the Latin American interest and our government decision to help this issue finally be resolved for the sake of Latin American unity.

[Bethancourt] Thank you, Morales, for your time and for the explanations you have given us.

First Havana-Caracas Charter Arrives

FL2810150891 Havana Tele Rebelde Network in Spanish 1200 GMT 28 Oct 91

[Text] With the arrival of its first Caracas-Havana charter flight at the Jose Marti International Airport, Cubana de Aviacion has inaugurated what, as of today, will become weekly charter flights between Cuba and Venezuela. The first charter flight brought approximately 95 tourists to the island. The tourists will be flown to the island on Chart 42-D planes. The charter flights will arrive in Havana every Saturday after 1830. The goal is to have weekly charter flights. For the time being, these flights will only bring tourists to Cuba. Cubana de Aviacion currently has 16 destinations on the American continent.

Consul General to Colombia Takes Office

PA3110042791 Havana Radio Havana Cuba in Spanish 0000 GMT 31 Oct 91

[Text] Cuban Consul General in Colombia Omar Morales took office in Santa Fe de Bogota in accordance with the resumption of consular relations between Cuba and Colombia. The two countries agreed to resume consular relations during the recent summit held in Guadalajara, Mexico.

The diplomat stated that, for trade purposes, Cuba can offer Colombia sugar, rum, tobacco, and new products from the pharmaceutical industry and biotechnology.

Inter-Caribbean

Caricom Chairman on OAS Mission to Haiti

FL3010021091 Bridgetown CANA in English 2117 GMT 29 Oct 91

[Text] Basseterre, St. Kitts, Oct 29, CANA—Caribbean Community [Caricom] Chairman Dr. Kennedy Simmonds has told an Organisation of American States team Caricom is firmly committed to helping Haiti return to democracy. Simmonds, also prime minister of St. Kitts and Nevis, held talks Monday with the team headed by assistant secretary general of the OAS, Christopher Thomas.

The two discussed plans for a civilian mission to consult with Haitians on restoring democracy to the impoverished nation, where President Jean-Bertrand Aristide

was ousted by the Army. The OAS and the United Nations have suspended technical cooperation with Haiti. Member states are continuing a trade embargo and refusing to recognise any representatives of Haiti other than those appointed by the democratically elected government of the island.

The terms of reference and the composition of the civilian mission have not yet been worked out, but the OAS has alerted Caricom to prepare to contribute to the mission.

Prime Minister Simmonds said the federation would continue to respect the trade embargo although St. Kitts and Nevis does not trade with Haiti. He said Caricom was firmly committed to helping the troubled country return to democracy.

The OAS team suggested that Caricom consider framing an aid package for Haiti, pending its return to normalcy. Simmonds said any such package must meet the needs of the Haitian people.

St. Kitts and Nevis' ambassador to the OAS, Dr. William Herbert, permanent secretary for foreign affairs, Ernein Edwards, and director of the local OAS office, Kenneth Parker, also attended Monday's meeting.

Dominican Republic

Taveras Warns of Haitian 'Social Cataclysm'

FL3010181891 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1623 GMT 30 Oct 91

[Text] Juan Aristide Taveras Guzman, Dominican secretary of state for foreign relations, said that if the international community does not come to the aid of the Haitian people, they will experience a social cataclysm.

Taveras Guzman said that the Dominican Republic will be affected if there is a social upheaval in the neighboring country. He also declined to comment on the statements made by Fabio Herrera Cabrs', vice secretary of state for foreign relations, claiming that the only person authorized to comment is President Balaguer.

The Dominican diplomat pointed out that the Dominican Government is complying with the trade embargo against Haiti imposed by the Organization of American States. Yet he believes it is only prudent to evaluate the situation that nation is experiencing.

Commentary Deplores Aristide's Visit Plans

FL3010203591 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1644 GMT 30 Oct 91

[Station editorial: "Aristide's Visit, an Unbelievable Announcement"]

[Text] The newspapers in this capital city have reported that deposed Haitian President Jean-Bertrand Aristide will reportedly visit the Dominican Republic in the next few days. Although the reports are somewhat confusing, and do not provide the sources of the information, just the idea of such a visit has caused a stir in many circles.

Jean-Bertrand Aristide is by far the Haitian head of state who has been the harshest, least tactful, and crudest critic of our country and its government. The deposed Haitian president was heard to say, at more than half a dozen forums, that relations with our people were burdensome and that part of the Haitian problem originated in Santo Domingo. The haphazard remarks of the Haitian leader earned him, of course, the animosity of many people, especially from those who saw him enjoy our generous hospitality for several years.

Aristide's fall must be discussed openly; only the abuses and arrogance of the current de facto regime are the only things that annoy our people. In other words: we repudiate the coupists who commit abuses on a daily basis, but no one defends, no one would dare defend the man who made vile accusations in an attempt to fill his people with hate toward our people.

The people on the streets and in the squares can be heard to say that Jean-Bertrand Aristide should not be welcomed in our country. Perhaps Aristide is a man who has renounced the code of ethics that every statesman should abide by. A point of logic, an evident reality, something that cannot be denied, is the fact that the image of the deposed Haitian leader does not benefit from the news of his improvised visit. The advisers of the deposed Haitian leader should remind him of what the traditional protocol states. Meanwhile, we will continue to describe Aristide's visit as an unbelievable announcement.

Haiti

Aristide Supporters Arrested; Radio Shut Down

FL3110132791 Bonaire Trans World Radio in English 1130 GMT 31 Oct 91

[Text] The military government of Haiti has arrested more supporters of ousted President Jean-Bertrand Aristide. According to an unnamed aide, they include (?Renault) Preval, a cousin and close confidante of Prime Minister Rene Preval. The prime minister himself is directing a passive resistance movement from his hiding place, and says he continues to be a supporter of Mr. Aristide who predicts that he will be back in power within a week if a total trade embargo is imposed on Haiti. However, Mr. Aristide says the present embargo is not total, that international drug dealers have been cooperating with the present military junta, and European sources say goods have been seeping across the border with the Dominican Republic. Mr. Aristide has offered amnesty to everyone in the Army if they allow him to come back, with the exception of the coup leader, General Raul Cedras and his aides.

The Haitian military has meanwhile closed down another radio station, this one the Catholic-run station in [word indistinct]. It was overrun with men wearing uniforms who left the building a shambles. The station is a known supporter of Mr. Aristide. On the fourth of this month, Radio Lumiere, affiliated with the Council of Evangelical Churches in Haiti, was forced off the air for reporting news of the coup.

Government Announces Supreme Court Appointments

FL3010211291 Port-au-Prince Radio Nationale in Creole 1400 GMT 30 Oct 91

[Text] A 28 October decree issued by lawyer Joseph Nerette's provisional government appoints the president, the vice president, and judges to the Court of Cassation [Supreme Court]. Emile Jonassaint has been designated president of the Court of Cassation [replacing Andre Cherilus]. Georges Henry has been appointed vice president of the Court of Cassation. Jean David, Georges Moise, Jeannot Kenol, Raoul (Laisse), and Dumas Desrosiers have been appointed judges to the Court of Cassation.

The 28 October decree further states: In view of the proposals made by the Senate of the Republic in their 11 October letter and in compliance with the clauses of the Constitution concerning the appointment of judges to the Court of Cassation, and in view of a report by Minister of Justice Lawyer Antoine V. Leconte, the government has decided to confirm Larousse D. Pierre, Raymond Gilles, and Clauzel Debrosse to the positions of judges to the Court of Cassation.

Government Issues Names of Recalled Diplomats

FL3010202091 Port-au-Prince Radio Metropole in French 1700 GMT 29 Oct 91

[Text] Ten chiefs of diplomatic and consular missions, as well as other officials on duty abroad, have been recalled by the Haitian chancellery. Those involved include Emmanuel Amboise, Haitian ambassador to Canada; Jean Casimir, Haitian ambassador to the United States and to the OAS; Guy Alexandre to the Dominican Republic; Fritz Longchamp, Haitian permanent representative to the UN; Ben Dupuy, deputy of the Haitian Embassy in Washington; and Jean-Enard Turenne, counsellor at the Haitian Embassy in Brazil. Five consuls have also been recalled.

The chancellery notes that these diplomats have simply been recalled, not dismissed.

Provisional Government Appoints New Employees

FL3010195891 Port-au-Prince Radio Metropole in French 1700 GMT 29 Oct 91

[Text] The provisional government made several public administration appointments. New general directors have been installed at the Ministries of Public Works, Transportation, and Communication; at the Ministry of the Economy; at Customs Administration; the Public Enterprise for Promotion of Public Housing; Metropolitan Service for Collection of Solid Waste; at the National Airport Authority; Ministry of Commerce and Industry; and at the general hospital.

Further nominations will follow, according to the private secretariat of the provisional president.

Information Sought on Citizens at French Embassy

FL3010211091 Port-au-Prince Radio Nationale in Creole 1400 GMT 30 Oct 91

[Text] The Haitian Ministry of Foreign Affairs advises all persons concerned that in a memorandum dated 29 October and sent to the French ambassador in Haiti [Francois Raphael Dufour], the ministry asked for information on Haitian citizens who took refuge over the past few days at the French diplomatic mission in Port-au-Prince.

The Ministry of Foreign Affairs points out in this same note that it is interested in learning as soon as possible the number and names of these citizens as well as their status at this embassy and all other necessary information so that the Haitian authorities can decide on the issue.

In conclusion, the Ministry of Foreign Affairs advises all diplomatic missions and consulates of other countries in Haiti that the government will respect the agreements and treaties which have been signed and hopes other friendly countries will do the same.

Deputy Protests Constitutional Violations

FL3110001191 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 30 Oct 91

[Excerpt] Deputy Laveaux Jean-Baptiste has protested all the constitutional violations committed since 1985 and has urged all Haitian citizens to work for the good of the country so the situation will not worsen. Deputy Jean-Baptiste notes that since 7 February, Haiti has been living under a dictatorship. However, since 30 September, the situation has deteriorated, going from one extreme to another, from a mob dictatorship to a military dictatorship.

During the 29-30 September coup, the military occupied the Legislative Chamber and on 7 October, the airport. Arbitrary arrests occurred in the capital and provincial cities. It is to be noted that ministers and close partisans of the Preval government feel threatened and have therefore gone into hiding; that Port-au-Prince Mayor Evans Paul, alias K-Plim, was mistreated although General Raoul Cedras formally promised him security; and that in Saint Louis du Sud, lavalas partisans including Jean Candio, second delegate Maurice Martini, and Jean Sama have also gone into hiding. The situation is the same in Cavaillon.

The deputy says: We raise our voice against all coercion. The 1987 Constitution has drawn broad democratic lines for all people who claim to be democratic. Article 24 of the Constitution states that individual freedom is guaranteed and protected by the state. [passage omitted]

Sylvio Claude Family Contests Party Nomination

FL3010230591 Port-au-Prince Radio Metropole in French 1800 GMT 29 Oct 91

[Text] A crisis has occurred in the Haitian Christian Democratic Party [PDCH] less than a week after the funeral of Pastor Sylvio Claude, leader of the party. In a press release issued on 29 October, the Claude family expressed surprise when they heard about the nomination of Joseph Douze to be the PDCH leader until the next congress. Pastor Sylvio Claude's family, including Marie-France Claude, invites the PDCH's principal commission to a meeting this Tuesday for further explanations.

El Salvador

FMLN's Jovel Comments on Elections, Dialogue

PA3010002791 Mexico City NOTIMEX in Spanish 0521 GMT 28 Oct 91

[Report by Maricel Dieguez]

[Text] Francisco Jovel, a Farabundo Marti National Liberation Front [FMLN] commander, has stated that the FMLN is aware that it is abandoning its decision to attain power militarily and now wants to sign a peace agreement to end the Salvadoran conflict, which has left more than 75,000 victims in the past 11 years.

Jovel, also known as Commander Roberto Roca, added that the Salvadoran Armed Forces have received approximately $4.6 billion in economic and military aid from the United States but have still not been able to defeat the FMLN on the battlefield.

Commander Roca, who is also a member of the FMLN General Command, said in an interview with NOTIMEX: Our participation in the negotiation process is evidence that we are willing to attain peace at the lowest possible human cost.

He admitted that the FMLN has relinquished its position of taking power by force and is now prepared to do so through elections.

He believes that those who assert that the FMLN is taking a vanguard position because "it proposes to be a pluralistic force in the 1994 parliamentary, municipal, and presidential elections and not only to make political gains that have lost their sense of direction."

"A force responsive to the needs of the divided Salvadoran society is required," he stated.

"The blood shed in El Salvador was worth the cost because we are about to attain peace and make other valuable advancements," Jovel said.

"We risked our heads and our 'skin' in this war, and we have fertilized with our blood the seeds for a new El Salvador. The fruits of our endeavor will be seen at the end of this century," the rebel commander added.

A few days after the last round of negotiations between President Alfredo Cristiani's administration and the FMLN, Commander Roca stated: We are in the "home stretch" of attaining peace.

He mentioned that "the bases for the El Salvador of the 21st century will be established" in the next two years.

The FMLN has a new policy in dealing with the different sectors of the country. Together "we must do away with the harmful weeds that can ruin the small plant that is going to be born in El Salvador."

The rebel commander expressed the FMLN's request that, at the end of the armed conflict, the security corps that have "harbored" the "death squads" should be dissolved. He said death squads use violence, torture, and repression against the people, "whom they consider their worst enemies."

Commander Roca said the achievement of democracy in his country requires a concerted effort that consolidates different interests. He also said he felt it necessary to use the experience acquired by European countries that have coalition governments.

"Political parties incapable of doing this will lose their political influence," he added.

Commander Roca recalled that during the talks concluded on 22 October in Mexico City, the FMLN proposed an informal cease-fire to immediately end the armed conflict and allow some agreements to be reached.

He said this is the way to achieve progress in the search for a solution to the conflict because this will establish the parameters for determining peace and preventing further bloodshed.

"That blood has been shed in vain. The blood that will achieve results in the country has already been shed. The rest is senseless," he commented.

Roca, who has participated in the Salvadoran struggle for 23 years, is also secretary general of the Revolutionary Party of Central American Workers.

According to sources close to the negotiations, the remaining topics to be discussed include the reduction and purging of the Army and the creation of a new National Civil Police in which the FMLN demands participation for its fighters.

Jovel admitted that the pending points are critical and complex. Therefore, the participants could not possibly

discuss economic and social issues "on which the Salvadoran people demand an in depth discussion." "The people eagerly await the discussion of other topics, aside from the Army issue, and they want a discussion of economic and social problems that were, to a great degree, responsible for the war," Jovel said.

In his opinion, the solution to the conflict is an equitable distribution of wealth and the prevention of an "insulting accumulation" of riches by just a few.

He said there must be efforts to legalize land ownership, at least in areas under rebel control, which is a third of the national territory (7,000 square km).

Jovel added that the FMLN will not harrass land owners who adapt to the parameters specified in the Constitution, which specifies that the maximum extension of land a person may own is 245 hectares. "We will respect that," he asserted.

Commander Roca said the agrarian reform plan foreseen in Article 105 of the Salvadoran Constitution can be applied in zones under guerrilla control and in the rest of the country.

He added: Out of the 7 million Salvadorans in the country, 2 million live in the capital and 1.5 million have been displaced from their home towns as a result of the armed conflict.

Rebels Welcome Cut in U.S. Military Aid

PA3010021091 San Salvador Radio Cadena Horizonte in Spanish 1830 GMT 28 Oct 91

[Report by Alfredo Hernandez]

[Text] Commander Miguel Mendoza of the Paracentral Front of the Farabundo Marti National Liberation Front [FMLN] said during a news conference in San Vicente that the guerrillas applaud the U.S. cut in military aid to the Salvadoran Government because this sends a clear message to the Nationalist Republican Alliance [Arena] administration that it must contribute to accelerate the peace negotiations.

Commander Miguel Mendoza said that the U.S. Government's decision to reduce its military aid to the Salvadoran military represents a precise, clear, and emphatic message that means that peace in the country must be secured through negotiations.

The U.S. Government reduced its military aid to El Salvador by 50 percent as a way to exert pressure in favor of human rights and to secure peace in the country in the framework of the process in which the Salvadoran Government and the Salvadoran rebels are engaged, with UN mediation.

Mendoza said during the news conference in El Tortugon, San Vicente Department, that the military aid reduction is evidence of national and international support for the current negotiating process.

[Begin Mendoza recording] I think the reduction in U.S. military aid to the Salvadoran Government and the Armed Forces is a fairly clear, precise, and emphatic message that means that the endorsement and support elicited by the negotiating process on the national and the international levels is more significant than what the governing social and political sectors could ever have imagined. [end recording]

According to Commander Mendoza, who forms part of the rebel support team at the negotiations, the military aid reduction is a positive sign that contributes to the objective of signing, before the end of the year, a formal or informal cease-fire that will depend on the two sides reaching an agreement.

Mendoza contradicted some Army commanders who have said that the FMLN will not participate in the new National Civil Police to be installed after a cease-fire is signed.

[Begin Mendoza recording] In our opinion, national and international pressure—which is what the military aid reduction is—is so formidable that we believe it very possible that by November or December we will have either an informal or a definite cease-fire. As the negotiations process goes on and as we move closer to its conclusion, which is nearer every day, we will fully and legally rejoin civilian society, as the Geneva Agreement states. Part of our forces will join the National Civil Police. The New York agreement says, and the meaning of the New York agreement is, that FMLN members will form part of the National Civil Police. [end recording]

Commander Mendoza said the FMLN currently is studying an alternate economic model for the postwar period to satisfy the basic needs of the country's poor people and to develop a production structure capable of marketing products internationally.

The guerrilla commander said this alternate economic model should serve as a guideline for meetings aimed at securing an economic agreement to produce a true agreement between the enterprise and public sectors to promote the recovery of the deteriorated national economy.

Vargas Justifies Recent Military Operations

PA3110031291 San Salvador Radio Cadena YSU in Spanish 1800 GMT 30 Oct 91

[Report by Maria Teresa Fajardo on interview with Colonel Mauricio Ernesto Vargas, armed forces deputy chief of staff, by unidentified reporters; date and place not given—recorded]

[Text] Colonel Mauricio Ernesto Vargas, armed forces deputy chief of staff, justified the army's military operations throughout the country by arguing that these operations are part of army actions to defend civilians.

Vargas, who is also a member of the government delegation to the guerrilla peace negotiations, ruled out that a definite cease-fire will be signed at the 3 November meeting.

[Begin recording] [Vargas] I ask myself whether these operations are the result of the negotiations or the result of 11 years of conflict. If these were isolated incidents taking place now—at this moment, and for the moment—then we would have to take them as isolated incidents. However, I do not believe that these operations can be isolated from those areas that have been permanent areas of conflict, where fighting has always taken place. This cannot be used as a handy argument. That is why I said that we need to cast aside ideological propaganda ideas, work with greater political resolve, and allow real and objective policies to emerge.

[Reporter] This would also justify [passage indistinct]?

[Vargas] Definitely so. Attacking the system and trying to take power with guns or trying to force a political solution through guns is one thing; the legitimate institutions that defend the interests of the country are another thing. I believe everyone should calm down and let the hot air blow away. Everyone should help to bring peace to our country.

[Reporter] About the cease-fire [passage indistinct]?

[Vargas] Not yet. Remember that the compressed agenda needs to be completed. The New York Agreement clearly states that all political negotiations must be completed at the time a cease-fire is signed; afterward, there can be no negotiation and no obstacles. What still has to be developed is to lead the compressed agenda to the right point so the armed conflict can end.

[Reporter] What is hindering it?

[Vargas] I do not believe we should start pointing fingers. We are definitely working on this. What is causing a bad atmosphere around the negotiating table is that violence and terror continue, even while we are talking. I have said many times that we accept force, but the force of reason, not brute force. We are at the negotiating table, and we cannot be kicking each other under the table. The FMLN [Farabundo Marti National Liberation Front] must understand that their scaling down violence is what is going to bring tranquillity, because the Armed Forces is not involved in offensive projects. The Armed Forces is involved in the military defense project of the country, in the defense of the Salvadoran people's lives and property; and this is how the position of the Armed Forces should be perceived.

[Reporter] [passage indistinct] a defensive or offensive project?

[Vargas] There we had a permanent operation, but conflict areas have (?not changed and neither have the conditions). Power pylons and village takeovers should have stopped three or four years ago. The same holds true for telephone junction boxes. (?These have lessened) now because of the negotiations [words indistinct] Here is where the political resolve must emerge, because we are not going to reason through brute force or through terror, but by pure reasoning. Reason, good judgment, good criteria, mutual respect, and understanding are what have to prevail.

[Reporter] [Passage indistinct] could this be the last meeting when these agreements are signed?

[Vargas] We would hope so, provided there is the resolve. There is a lot of work to do, and political resolve has much bearing. We should not lead the people to expect anything that is beyond reality. We are at the final point, making final decisions. It is not the easiest thing to do, but what I can guarantee the people is that we are working very seriously, with much responsibility, and what we want is peace with reason and not peace with anarchy.

[Reporter] What does the army seek with these operations in Guazapa Hill? Is a greater position of force (?authorized in the negotiations)?

[Vargas] Definitely not. We are not seeking positions. Our position is very clear. If the terrorists near Guazapa Hill are the ones who are [words indistinct]. We have to discourage this from continuing, because it is our legal and moral obligation. [end recording]

The military commander admitted that the FMLN show goodwill at the negotiating table. However, he called for an end to violent actions during the talks because this only serves to create an atmosphere of terror and mistrust. A cease-fire date cannot be predetermined; we are only able to say there are many possibilties for progress during the next meeting, Col. Vargas said.

'Counterinsurgency Operation' Under Way in Guazapa

PA3010170691 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 30 Oct 91

[Report by Raul Beltran Bonilla]

[Text] Good morning, YSKL listeners. Military sources have confirmed that the explosions that have been heard since early this morning in the capital are the result of a counterinsurgency operation being conducted by special Army units in two sectors of Guazapa Hill.

We repeat, military sources have confirmed in this capital this morning that the loud explosions being heard in San Salvador since early in the morning are the result of a counterinsurgency operation being conducted by special Army units against Farabundo Marti National Liberation Front guerrillas in the eastern and northern sector of Guazapa Hill.

According to the reports, at least three rebels died during the operation, that began in the afternoon of 29 October and continued throughout the night and early morning hours. We repeat, the loud explosions heard early this

morning i
operation

We will ha

END Cor
PA311004
in Spanish

[Interview
of the Nat
announcer
not given—

[Text] [Tac
whom we w
Mexico me

[Melendez]
at Radio V
[words indi
greeting to
reiterate to
to Mexico t
guarantee t
good news a

[Tacho] Co
vide us with
negotiating
the FMLN
Front] in wh

[Melendez]
insisted on
conditions f
can follow
tions. As y
governmen
believes tha
mination to
a sign of w
circumstanc
we can say
progress. W
series of ag
some of the
Army; the e
the eliminat
nizations, o
and of the p
of compuls
when the ce
were reache
mentioned.
by distinguis
unfortunate
the case of
destruction
led to [word
death squads

in San Salvador were caused by the military
being conducted in Guazapa Hill.

have more details as events warrant.

mmander Melendez on Negotiations

(FMLN) Clandestine Radio Venceremos
n to El Salvador 0000 GMT 29 Oct 91

w with Jorge Melendez, alias Jonas, commander
ational Army for Democracy, END, by station
r Tacho, over a two-way radio; date and place
—recorded]

ino] A greeting to you, Commander Jonas,
welcome to our front after participating in the
ettings. Over.

I also want to send my greetings to all those
Venceremos, a voice of freedom on the air
distinct] the fighting spirit of our men. A
our leaders and fighters. We reaffirm and
you that all the leaders of the front have gone
o guarantee the interests of the people and to
the interests of the fighters. We hope to bring
and progress.

mmander Jonas, we would like you to pro-
a report on the progress that was made at the
table in Mexico between the government and
[Farabundo Marti National Liberation
hich you participated. Over.

First, I want to say that the FMLN has
the need to stop the war so as to create
for the negotiations so the Salvadoran people
the political process under different condi-
ou know, this has not been achieved. The
it has not responded. The government
t a show of political commitment and deter-
silence the weapons could be interpreted as
eakness, which is not the case under any
e. As for the things we achieved in Mexico,
that we certainly made very important
e discussed the topic of the armed forces. A
greements were reached. We can mention
m, such as the doctrinal principles of the new
educational system of the [word indistinct];
tion of the impunity of the intelligence orga-
f the rapid deployment infantry battalions,
aramilitary groups; as well as the suspension
ory service. This should become a reality
ease-fire agreement is reached. Agreements
d over all of these points that I have just
There are other points that have been noted
shed individuals here in the country in which
y no agreements have been reached, such as
the illegal groups and the search for and
of clandestine prisons. Obviously, this has
indistinct] to end with the practices of the

However, the achievements that were reached are important. They are really aimed at transforming, reducing, and purging the army. The purpose is to achieve a greater tranquillity for the country once the negotiations end. The Army will be smaller, it will be purged, it will be democratic. We hope that under these conditions it will stop being an instrument of terror ready to undermine the democratic freedoms of the Salvadoran people. We must also add that the San Jose human rights agreements are already in effect and the UN observers for El Salvador mission is already in the country verifying it. We can also say that the New York Agreements have included the creation of a new national civilian police. Therefore, I believe this is the most important progress that has been made. I can also say that the specific topics that remain to be discussed on the agenda are the creation of the national civilian police, and the settlement of certain aspects of the security organizations and of the Armed Forces. We can say that the road to peace is not too far away.

[Tacho] Commander Melendez, we would like you to give us your opinion regarding the statements Colonel Mauricio Vargas made to Radio Cuscatlan, the Armed Forces radio station. He said that during the meeting held in Mexico the FMLN had agreed to demobilize and disarm. What is your opinion about this? Over.

[Melendez] That is completely false. Those words do not appear anywhere in the negotiations. Remember that our negotiations are based on the fact that there is no military solution. This means the words disarmament and demobilization do not appear in the negotiations. There is, however, a serious problem that the Salvadoran people must be aware of that results from statements made by Col. Vargas. Within the government and the Armed Forces, there are groups that we do not doubt are open-minded, but there are also strong ultrarightwing groups. These are the so-called hardliners. I believe these types of statements made by Col. Mauricio Vargas are aimed at calming these groups down a little bit, and—why not say it—it is also self-protection. I believe they themselves are afraid of the ultrarightwing groups of the oligarchy and of the Army. Therefore, his statements are not true. I would call on the Salvadoran people to understand that—regardless of our wishes—it seems the only way these rightist groups can understand the language of negotiation is by forcing them to respond militarily. The acceleration of the negotiations demands the fighting spirit and the determination of the END [National Army for Democracy] in taking action; otherwise, these rightist groups will continue to think about military solutions.

Regarding this, I believe the statements made by Col. Vargas precisely reflect that situation. The New York Agreements clearly state that El Salvador will provide land for peasants, and that there will be a democratic army and a national civilian police that will include FMLN fighters. We should rely on that. We must not be confused, and we must know how to interpret those kinds of statements. Over.

[Tacho] Commander, on to another subject. The Bush administration agreed with the U.S. Congress to cut in half the military aid for the Salvadoran Armed Forces. In addition, it has been reported that 140 congressmen favor the total elimination of this aid. How does the FMLN interpret these U.S. Government decisions? Over.

[Melendez] In the first place, the FMLN's interpretation of these decisions is very positive. In other words, these decisions carry a very important message for the Salvadoran people and the hardliners in the Armed Forces. These hardliners will not be able to continue living on war or to continue getting away with impunity and becoming rich. The negotiations are well in progress. The message from the U.S. Congress is clear enough. I think a similar message is also coming from the international and the local communities. The end of militarism in El Salvador is near at hand. There will be a political solution and full democracy in our country. Over.

[Tacho] Commander, the microphones of Radio Venceremos are at your disposal if you have any message for END. Over.

[Melendez] Yes, I do have a final message. We can say for sure that we have reached the final stage of the war. This is a reality. Although we have attained many achievements, there are powerful and dangerous enemies among the ultrarightists. Something is necessary and continues to be fundamental, however. The negotiations are possible and move forward faster, contradictorily and even against our will, because of the 10 years of armed struggle. The bishop of San Salvador said we are talking of peace while playing the music of war. This is not our fault, but the fault of the ultrarightists in the army and the oligarchy. To guarantee all achievements, it is necessary at present for us to be determined to fight. What we do or fail to do will be decisive for us, for our achievements, and for democracy. Our determination, firmness, and courage have endured for 10 years. The promise we made to every fallen buddy, that his blood would not be shed in vain but that it would guarantee victory for the Salvadoran people, is still valid.

I am calling on everyone to close ranks with the strongest determination to achieve victory. We are obedient to the FMLN General Command. When the general command assures us that the New York Agreement will be implemented, we will be ready to establish a cease-fire. As I said, we must continue with firm determination, because the army hardliners think that we have proposed an immediate but temporary cease-fire because we are weak. Consequently, we will have to show that this is not so. In this effort to seek peace and democracy, we have the Salvadoran people and the reports of the international community on our side. Over.

Roundup of Guerrilla Activities 20-26 Oct

PA2910213691

[Editorial Report] (Clandestine) Radio Farabundo Marti in Spanish to El Salvador at 1900 GMT on 20 October carries a 10-minute report on the latest activities conducted by the Farabundo Marti National Liberation Front, FMLN, forces. The report says that "at 1500 on 18 October, members of the National Army for Democracy, END, clashed with the 5th Infantry Brigade's Cazas Battalion in Canton San Juan Lorenzo, Santa Clara jurisdiction, San Vicente Department, and we inflicted four casualties." The report adds that "at 1500 on 18 October, the END forces clashed with two companies of the 5th Military Detachment in Cerro El Palmo, Tenancingo, Cuscatlan Department, and inflicted one casualty." Furthermore, "at 1100 on 19 October, members of the Bracamonte Battalion entered territories under our control" near "Guaraga Hill," and "they clashed with END forces in Valle Nuevo, where we inflicted one casualty." Likewise, the information from the rebel forces reveals that "on 18 October, END forces seized control of a military road and blew up three electric poles near the turnoff to La Arenera, San Miguel jurisdiction." In addition, a war report sent to the station says that "on 17 October at 2300, END forces sabotaged 13 electric poles on the border between the Cerron Grande Dam and Atachil, near El Chorreron, Ilobasco jurisdiction, Cabanas Department;" adding that "at 1600 on 16 October, END sabotaged six poles on the border between the 5 November Dam and Atachil, near Canton Los Hoyos, Ilobasco jurisdiction Cabanas Department."

(Clandestine) Radio Farabundo Marti in Spanish to El Salvador at 0000 GMT on 22 October carries a three-minute military report which says that "the anti-democratic Armed Forces have sustained 33 casualties in different points of the country." The information reveals that "the 1st Military Department sustained 13 casualties during fierce clashes at Tepeyac and Concepcion Quezaltepeque municipality, in Chalatenango Department; six more casualties were inflicted on the Belloso Battalion during an artillery attack on its positions in Morazan Department; 10 casualties were inflicted on the Lenca Battalion and one soldier was captured, and later released to the townsfolk; during a successful guerrilla maneuver in the eastern part of the country, two more casualties were inflicted on the 1st Infantry Brigade; and two more casualties were inflicted on the National Guard in Oratorio de Concepcion, when END forces seized the town and held a news conference."

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0200 GMT on 22 October carries a nine-minute report on recent actions involving the END and the Salvadoran Army. In Perquin, Morazan Department, on 21 October, the announcer reports, four soldiers died and two more were wounded as a result of an END attack on Belloso Battalion forces.

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 23 October reports that as a result of the 21 October attack on the Belloso Battalion forces in Gigante Hill and Peticon Hill, in Perquin Municipality, the Army suffered three more casualties.

The announcer reports that END units on 21 October took control of a Norte Highway sector, between Quezaltepeque and Apopa, and spoke to drivers.

Early on 22 October, in Suchitoto, Cuscatlan Department, the Pantera Battalion sustained nine casualties by the END forces, the announcer reports.

The report continues that in Chalatenango, END units seized control of another sector of Norte Highway, between El Salitre and Las Pavas and kept it under control for five hours, during which the END units talked with the townspeople.

On 21 October, END units attacked 2d Infantry Brigade forces in Agua Caliente and inflicted two casualties on the enemy.

(Clandestine) Radio Farabundo Marti in Spanish to El Salvador at 0000 GMT on 23 October reports that on 22 October, in the El Jardin and El Barrancon and Desvio de la Reina sector, END forces clashed with 4th Infantry Brigade forces and preliminary reports indicate that the Army forces suffered eight casualties.

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 24 October reports that END units, early on 23 October blew up two bridges, one on the Pan Americana Highway, in the area of Jiquilisco. This bridge was practically destroyed. The other bridge was in San Buena Ventura Municipality, on Litorial Highway, Usulutan Department.

In Chalatenango Department, the Army suffered 30 casualties when its forces tried to seize a Norte Highway sector that was under the control of END forces. This took place on 22 October in an area between Tejutla and La Palma, the announcer reports. He adds: The END units have four Chalatenango towns under their control for the second day in a row: La Palma, San Ignacio, La Reina, and San Francisco Morazan. These towns were seized at 0700 on 22 October and are still under FMLN control. Government forces trying to retake the towns have been pushed back. An END fighter fell heroically, the announcer reports.

The report continues that in Morazan Department, END units clashed with Military Detachment No. 4 forces at Avelinos Canton, Morazan Department. The detachment inflicted three casualties.

On 22 October, in El Carrizo, San Vicente Municipality, END forces inflicted two casualties on 5th Battalion units, the announcer reports.

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 25 October reports that END units inflicted three casualties on the Bracamonte Battalion in Guazapa Hill.

The announcer reports that on 24 October, END units clashed with forces of Military Detachment No. 5 in Rosario Tahlon. The END forces inflicted one casualty on the enemy.

In Chalatenango, on 24 October, in Dulce Nombre de Maria, END units attacked enemy units and inflicted two casualties.

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 27 October reports that from 20 to 26 October, the antidemocratic Armed forces suffered 120 casualties, including a prisoner of war who had already been released. 28 power system structures were sabotaged; 5th of November Dam machinery was damaged; and two bridges were destroyed in Usulutan Department.

The announcer reports that on the evening of 25 October, near San Miguel City, two light poles were sabotaged.

San Salvador Canal Doce Television in Spanish at 0300 GMT on 26 October reported that the Armed Forces on 25 October suffered three casualties as a result of a FMLN ambush in La Libertad. The Army has reported wounding5 five guerrillas on 25 October during clashes in the areas of Guazapa and Tenancingo.

FMLN Affirms Support for Social Transformation

PA3110040691 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 30 Oct 91

[Station commentary: "A National Revolution Deeply Rooted in History"]

[Text] The Salvadoran conflict is being scrutinized by the entire world. The reality of a military stalemate has been acknowledged by such a high assembly as the United Nations, thereby refuting the Armed Forces High Command's argument that it is necessary to prolong the war to achieve a military victory over the Farabundo Marti National Liberation Front [FMLN].

The current debate in the United States over a reduction in military aid to the Armed Forces is the best indication that peace is near and the military is without support.

Prominent political analysts in the United States and Europe have acknowledged the national character of the social struggle that has been taking place in El Salvador since 1932 against an unjust and antidemocratic regime. This is a regime that dispenses priviliges to a wealthy minority and is kept in power through the support of a corrupt military caste.

The Salvadoran people have been complimented for their toughness and ingenuity. They are a people capable

of achieving great objectives. However, the insatiable oligarchy has prevented the fruits of a whole nation's labor from being adequately used for the health, education, and well-being of all Salvadorans. Therein lies the undeniable roots of the war, a war that, in various degrees, has lasted from 1932 to the present.

Now the songs are of peace. It is also necessary for the music to be of peace. The FMLN fighters, with the same discipline used in combat to defeat militarism, are willing to obey the decisions of our general high command and begin construction of a democratic society without militarism. This is a society without fear, without repressions, fundamentally within the framework of a social justice, that will place the land in the hands of the farmer who really cultivates it and into the hands of the one who will make the fruits of development accessible to all members of society.

Once this objective has been reached, the historical mission of the FMLN fighters will have been accomplished; that is, our mission as social fighters. With the same innate fortitude with which we went into war, we are also ready to play a decisive role in the reconciliation of all Salvadorans. The moral values, the renewed social awareness ingrained during all these years of struggle, the FMLN's organizational experience, the love and admiration of our people, the solidarity of all brother countries of the world, the blood of our fallen comrades, all of these attributes give us the power to advance in the transformation of society.

Guatemala

Belizean Prime Minister Calls For Peace

PA2910213991 Guatemala City EL GRAFICO in Spanish
28 Oct 91 p 4

[Text] Belize and Guatemala have to live in peace and cooperate with each other as neighboring countries, Belizean Prime Minister George Price said when he arrived in Guatemala on 27 October. The Belizeans, he said, want to end the dispute with Guatemala now, when the world is changing and there is dialogue.

Guatemalan President Jorge Serrano and Belizean Prime Minister George Price held their first meeting on 27 October. Price said that it was an honor and pleasure to come to Guatemala as an observer at the installation of the Central American Parliament.

Price said that Belize participates in and is a member of the Caribbean community. Nevertheless, geographically it is also part of Central America. That is why, he added, the Belizeans are very interested in the region and in the affairs and economic development of the whole continent.

The Belizean prime minister said he is visiting Guatemala at the invitation of President Serrano. We are very grateful, he said. Price added, "Our two countries want to work for the development of the continent." He said he hopes that Serrano "will visit us in the future."

Regarding the Guatemalan Government's proposal that the dispute between the two countries be resolved through arbitration, Price said that Belize does not yet have a reply. He said, however, that in these modern times, there are many possibilities.

He said there is a window to the future and everything possible will be done to utilize the best opportunity that arises. The Belizeans want to resolve the problem, because it cannot exist forever. We have to resolve it and I hope it will be soon, he stated.

Honduras

Callejas Endorses International Observers' Role

PA2910063791 Tegucigalpa La TRIBUNA in Spanish
29 Oct 91 p 9

[Text] President Rafael Leonardo Callejas has stated that he decidedly supports the idea that international observers be posted in Honduras early in 1992 to guarantee the electoral process.

Referring to the problem at the Civil Registry (RNP), he said it "is important to endorse the initiative from the National Electoral Tribunal [TNE] and the National Congress."

He said, "The initiative is intended to be a guarantee for all Honduran people in the electoral process, by immediately requesting the international observers' presence in the country early next year. As president of the country, I support the decision."

Callejas said, "I think that the parties must strive for a fruitful dialogue concerning TNE and RNP internal issues, thus enabling them to find an acceptable solution. The final result will be the 1993 electoral process."

Callejas said the international organizations which may comprise the group of observers are the OAS and the United Nations, "and the specialized electoral organizations in Costa Rica."

The president referred to warnings issued by the Liberal Party of Honduras, which said that a fraud is being prepared, and said: "The word has been used for quite some time. Anyone who feels he is at a disadvantage at a given moment talks about fraud, and I think that this reveals internal weakness in a political organization."

The president said he is trying to solve the labor problem in El Mochito, and "we will have new negotiations on 29 October."

"We sent a commission to El Mochito on 26 October and I am happy to recognize that the community wants the mine to remain open; but there are a series of serious differences between the mining company and the community," he said.

Unions Agree To Support Banana Workers, Strike

PA3110025191 Mexico City NOTIMEX in Spanish 2107 GMT 30 Oct 91

[Text] Tegucigalpa, 30 Oct (NOTIMEX)—More than 100,000 Honduran workers decided to strike in support of the "Tela Railroad Company" banana workers who are already on strike. This transnational is a subsidiary of United Brands, a U.S. company.

The National Trade Union Federation of Honduran Workers (Fesitranh), which groups all unions and organized peasants groups from the northern coast of Honduras, agreed to take this measure to pressure the transnational to discontinue its policy on firing workers.

Rene Ayestas, president of the Trade Union of Tela Railroad Company Workers (Sitraterco), stated that 93 workers had been fired in less than 48 hours.

He pointed out that this was an attitude of "provocation" aimed at blocking the collective bargaining negotiations that are currently taking place.

Two years ago the Honduran Armed Forces had to use tear gas and force and to militarily assume control of the town of La Lima, headquarters of the powerful banana union, to stop a strike supporting wage improvement.

Nicaragua

PNC Seeks To Suspend FSLN Legal Capacity

PA3010223191 Managua Sistema Nacional de Television Network in Spanish 0200 GMT 29 Oct 91

[Text] The National Conservative Party [PNC] filed a demand with the National Council of Political Parties [CNPP] requesting the suspension of the Sandinist National Liberation Front's [FSLN] legal capacity as a result of its last actions, which were labelled unconstitutional.

The request was filed by PNC President Julio Luis Quezada at the CNPP's technical secretariat.

[Begin Quezada recording] The PNC as of today embarks on a new path. Until now we have been very patient, we have waited for more than a year for justice to be handed down regarding the confiscations issue and nothing has materialized. From now on we will take other types of measures. [end recording]

On receipt of the PNC's request, Orlando Tardencilla, technical secretary of the CNPP, said the date of the request will be determined by the CNPP president [as heard].

[Begin Tardencilla recording] This document, officially presented by the PNC representatives, will be communicated to the CNPP in full, according to the law. The CNPP's president will probably summon all its members, its public members, members who belong to political parties, and those who have been elected to the Legislative Assembly. [end recording]

The PNC directors issued a statement in which they condemn all types of militarism and armament promoted by any political party.

[Begin Quezada recording] Moreover, if Mayor Arnoldo Aleman or anyone else should promote the organization of a paramilitary corps we would be against this. We are enemies of militarism. [end recording]

The PNC members demanded the FSLN to get on the road to national reconciliation.

PNC Statement Criticizes Sandinist Policies

PA3110040591 Managua LA PRENSA in Spanish 28 Oct 91 p 6

[Text] The Sandinist Front today was accused of promoting a strategy of general destabilization. This charge was filed by the National Conservative Party [PNC] in a document issued to the Nicaraguan people and the international community.

According to the conservatives, this Sandinist strategy involves:

1. Plans to create a scandal over a NEWSWEEK article accusing National Opposition Union [UNO] leaders of using CIA money to finance the successful 1990 elections campaign. This ridiculous charge is being made only to divert attention from the outrageous robbery of state property under the shelter of Laws 85 and 86, which the people have named "The Giveaway" laws. The PNC backs the decision made by the National Assembly deputies to agree to the investigations requested by the Sandinists and to broaden them to include investigations on the origin of the huge funds spent, as everybody knows, by the defeated Sandinist Front.

2. Actions being carried out by the Sandinists in various parts of the country:

a. In Managua, the Labor Ministry and the labor minister were attacked;

b. Daniel Ortega Saavedra has made evident a defiant, thoughtless, and irresponsible attitude by responding to a proposal made by a government minister for the creation of a municipal police force with a disrespectful threat of reorganizing the criminal bands called Sandinist People's Militia, the mention of which evokes sad memories in the Nicaraguan people and thus endorses crime;

c. There are armed events that took place in San Isidro that can be attributed to the Sandinists;

d. The shameful case of the fake strike against the enterprise of the Chamorros of Granada, where a small

group of Sandinist criminals have paralyzed that important labor center that provides a livelihood for practically the whole city. That group has vandalized the enterprise's officials and their relatives and has created unrest among the people of Granada, while the police authorities declare themselves incapable of stopping the offensive going on.

As we have said, all this is aimed at preventing the approval of the Property Law that is to be presented to the National Assembly.

The PNC has ordered its representatives to promote the definite approval of the law by the legislators. This way we will do justice to the thousands of people who have had property unjustly confiscated by the Sandinist Government. This way we will be enhancing one of the most sacred principles of the conservatives: "Respect for private property."

The PNC believes that this is the time to act in defense of the public institutions and the democracy that the opposition party is threatening with its destabilization strategy based on blackmail and fear.

We are sending a special message of courage and solidarity to our president, reminding her that the Nicaraguan people and the PNC, which is a vital part of the people, fully support her and believe in national reconciliation, a disposition that should not be misread as an inclination to surrender in the face of blackmail, threats, and terror.

PSD Supports Election Financing Investigation

PA2810174191 Managua Radio Nicaragua Network in Spanish 1815 GMT 25 Oct 91

[Text] Members of the Social Democratic Party [PSD] announced their support of the decision by National Assembly President Alfredo Cesar Aguirre to appoint a special commission to investigate the election campaign funding of the Sandinist National Liberation Front party, the National Opposition Union [UNO], and other political parties that participated in the 1990 election process.

PSD Deputy Dr. Adolfo Jarquin Ortel stated that considering the charges made by Sandinist Party Coordinator Daniel Ortega, related to the UNO campaign being financed by the CIA, it is necessary to determine what foreign organizations financed his party.

According to Dr. Jarquin Ortel, funds received by the Sandinist party were not reported to the Supreme Electoral Council. He also added that everyone knows that these funds came from the Soviet Union, communist sources, East European countries, and international leftist organizations.

Central Bank President on Loans, Debts

PA3110042591 Managua Radio Nicaragua Network in Spanish 1815 GMT 28 Oct 91

[Interview with Raul Lacayo Solorzano, president of the Central Bank of Nicaragua, by an unidentified reporter in Managua on 28 October—recorded]

[Text] [Lacayo] Allow me to tell you that as part of the scheme that was applied to clean up the outstanding payments we had with the World Bank and the IDB [Inter-American Development Bank], Nicaragua received a series of significant donations and several short-term loans from friendly countries that will result in new income from the multilateral institutions.

We have received some $132 million in grants from friendly countries that went toward the clean up operation of the overdue payments we had with the World Bank and the IDB. The main donation came from the United States, which gave us $75 million. The rest came from a large number of countries, including the northern European countries; France, which gave a little; and other countries that gave us smaller amounts. The short-term loans that allowed us to make the overdue payments along with the donations were structured with Spain, Venezuela, Mexico, and Colombia.

Now that the overdue payments have been made to the World Bank and the IDB using the grants and the short-term loans, the World Bank and the IDB have made—rather, will make—disbursements. The IMF has made an initial disbursement of $22 million, which has gone directly to pay the short-term loans from Venezuela, Mexico, Spain, and Colombia. The World Bank and the IDB will make the next disbursements, which will also go to pay the short-term loans. We will not receive any money for ourselves, the Nicaraguans, until March or April 1992, when we will receive about $1 to $1.2 billion, depending on several variables.

Next year this money will be used to augment the funds available for investment in Nicaragua.

[Reporter] Mr. Lacayo, what can you tell us about the decentralization of the state financial system and where it is headed?

[Lacayo] What we have been trying to do about the decentralization of the financial system is give those activities that have to do with the public back to the commercial banking system. We no longer want the centralism that the Central Bank used to have. Besides having to handle the normal operations of a central bank—create the conditions for monetary and exchange rate stabilization, and promote economic growth—besides these duties, the Central bank also handled operations with the public. It opened letters of credit, it received the people's deposits, and so on. These are a series of operations the Central Bank should not carry out as a central bank. All these operations are being given back to the commercial banks, as they used to perform

them. We believe that this process will be completely finished by the end of the year.

[Reporter] What can you tell us about the meeting of the creditors in Paris? How far can the debt be cut? Will you be participating?

[Lacayo] Yes, I will participate. This is a joint effort by the Foreign Cooperation Ministry and the Central Bank, under the coordination of the Minister of the Presidency, to try and obtain the best conditions, or exceptional conditions, for Nicaragua. We believe there is a good chance for Nicaragua to get those exceptional conditions. The meeting will be held in December. We are requesting an important reduction in aid in the form of grants. We are also requesting a large reduction in reimbursable and lateral aid. We expect this will set a good precedent...[pauses] not a precedent, but a good exception in the Nicaraguan case.

[Reporter] The Central Bank of Nicaragua will be a guest of the Central American economic teams on 13, 14, and 15 November. Why are they going to meet here in Managua?

[Lacayo] This is a meeting that is being held in several Central American countries in order for the economic teams—especially the finance ministries, economy ministries, and Central Banks of the Central American countries—to coordinate their economic policies on a Central American level, on a regional level. That is the main purpose of the meetings.

[Reporter] Mr. Lacayo, what is the role of the Central Bank of Nicaragua in the economic development stage of the country during 1992?

[Lacayo] The main role is to create an adequate framework for monetary and exchange rate stability. Our main participation is to maintain currency stability, to make every effort to prevent inflation from sky-rocketing again, and to maintain the proper conditions for the Nicaraguan public to save money so the banks can have resources to invest. Other support activities for production include making investment resources available to the various sectors. These then are the main the contributions the Central Bank will make to the growth of Nicaragua.

[Reporter] Lastly, Raul Lacayo, do you have any good news for the people of Nicaragua for the end of this year and for Christmas?

[Lacayo] Well, I believe that even those people with limited resources will enjoy their Christmas, given the stability that we have attained and the funds that the government has made available for the commercial sector and others to import goods at a reasonable prices.

[Reporter] Thank you, Raul Lacayo, for your statements for Radio Nicaragua.

Sugar Workers Begin General Strike 28 Oct

PA3110042691 Managua BARRICADA in Spanish 29 Oct 91 pp 1,10

[Text] A total of 8,500 workers from five sugar mills went on a general strike on 28 October to protest the return of three sugar mills to their former owners, an action that was carried out without recognizing the workers' 25 percent ownership of the total assets, as stipulated in the Concerted Agreement.

The five sugar mills officially on strike are the German Pomares, the Benjamin Zeledon, the Xavier Guerra, the Victoria de Julio, and the San Antonio. Meanwhile, about a hundred workers from various sugar mills occupied the headquarters of the National Sugar Corporation [Conazucar]. They are determined to remain there until their demands are met.

The demands include: immediately delivering 25 percent of the sugar mills' total assets; financing to repair machinery and equipment; increasing minimum wage to 764 cordobas; and hiring 1,500 temporary workers for the current sugar cane harvest.

Alberto Alvarez warned: "The overall goal of the sugar cane harvest, which is scheduled to start on 1 November, is 6 million quintals. However, this figure could be remarkably less if the government does not meet our demands immediately."

Alvarez stated that the government delivered title deed and documents to the Pellas family, former owners of San Antonio Sugar Mill. The government also took the necessary steps to process the documents returning the Xavier Guerra and German Pomares Sugar Mills—of Nandaime and Chinandega, respectively—to their former owners.

Alvarez also stated that the workers will not begin sugar cane cutting and grinding activities until the government settles the main issues of their demand, especially that of privatization.

While sugar mill workers were declaring a strike for an indefinite period, approximately 100 workers peacefully seized the Conazucar installations located in the southern area of Los Robles neighborhood.

According to Alvarez, when the workers went into the Conazucar offices, Conazucar President Joaquin Zavala was holding a meeting with a group of company officials who left the premises unexpectedly, even though they were invited to proceed with their work session.

According to statements made by the president of the Sugar Workers' Federation, Zavala refused to receive the list of demands. His excuse was that he did not have the authority to solve the issues presented.

Meanwhile, Mario Noguera Talavera, a union leader at the Xavier Guerra Sugar Mill, said that 200 pre-evaporator copper tubes as well as a large amount of

industrial machine bearings and replacement parts for trucks are needed to begin the harvest.

The industrial and field workers at this mill located in Nandaime, who are members of the CTN [Nicaraguan Workers Federation] and the CST [Jose Benito Escobar Sandinist Workers Federation] have rallied in support of the people's vindications, which include the struggle for property rights for the workers.

As of 1800 on 28 October, the government had not yet given any signs of wanting to begin negotiations with the sugar workers. The union leaders announced that two other mills would come to a halt on 29 October, including the Camilo Ortega Mill in Kukra Hill.

Movement To Promote 'Gradual Demilitarization'

PA3010020991 Managua Radio Corporacion in Spanish 2300 GMT 28 Oct 91

[Text] The Nicaraguan Civic Movement [Movimiento Civilista de Nicaragua] was established at noon on 28 October in the Ruben Dario Room of the Intercontinental Hotel. Raymond Genie Penalba, father of young Jean Paul Genie Lacayo, a victim of militarist violence, was present at this meeting.

The founding members of the movement are: Jorge Eduardo Arellano, Pablo Antonio Cuadra, Fabio Gadea Mantilla, Raymond Genie Penalba, Oscar Herdocia, Lino Hernandez, Armando Incer, Delia Maria Matus, Francisco J. Mayorga, Carlos Quinones, Freddy Rostran, Maria Teresa Sanchez, and Julio Valle Arguello.

After the leadership signed the document establishing the organization, over 100 persons signed the document as founding members of the civic movement formed for the first time in our country.

The purpose of the Nicaraguan Civic Movement is to remove from the country the militaristic cancer that is preventing the immediate implementation of democracy in our country. In other words, we must peacefully improve the gradual demilitarization of Nicaragua in order for the Armed forces members to move into civilian life in a dignified and productive manner.

* Civilian Control of Armed Forces Urged

92CA0014B Managua LA PRENSA in Spanish 2 Oct 91 p 4

[Commentary by Luis Sanchez Sancho]

[Text] Soon the National Assembly will begin discussions of the 1992 General Budget.

With the budget debate, the issue of the Sandinist People's Army will return to the limelight, and it is possible that it may further strain our already sensitive domestic political relations.

The issue of the Army is certainly one of the major axes of the democratic transition process, which is somehow struggling along in Nicaragua.

On this subject, we should remind our readers that two important military ceremonies were held in early September. One was the Sandinist People's Army Day, held on the historical grounds of Hacienda San Jacinto. The other was the 12th Anniversary of the Sandinist Police, now officially called the National Police.

In the opinion of observers who attended the two ceremonies, the Army and the Police revealed their attitudes toward Nicaragua's current situation, particularly the political-military transition. The role the armed institutions are playing in the real or pretended fulfillment of the commitment of professionalization and depoliticization was made quite clear there.

During the Sandinist People's Army celebration, its top commanders made a visible effort to demonstrate to the guests and observers that their instititution's professionalization is real and unquestionable.

But quite the opposite happened at the Police celebration. Not only were the ideological content and loyalty to the partisan leadership obvious; defiance was also shown toward the new government's civilian authorities who formally presided at the ceremony.

Are we seeing double-faced behavior on the part of the top military and police leadership? Or does the Army have a true desire for professionalization, while the Police move more slowly, due to their more dogmatic and Stalinist ideological training?

Military issues are extraordinarily complex, and they must not be oversimplified. In all the transitions taking place right now, whether in East Europe, the USSR, Chile, or some of the African nations, the civilian-military relationship is a matter of great significance.

In an ordinary, well established democracy, the armed forces' mission is to safeguard the stability of state institutions and to protect national interests from any possible foreign threat. In other words, the army's role is to guard the conditions for the exercise of power, but not to impose its will on the holders of power.

What had happened in countries dominated by authoritarian regimes—including Nicaragua—was just the opposite. There the armed forces and the military themselves became the determining factor of power.

The move away from authoritarianism toward true democracy is much more complicated in military institutions, where rapid and optimum results cannot be expected in the short term.

But the advance of professionalism in the armed institutions inherited from the authoritarian militaristic regime must not be left to chance or to the whims of the military themselves. These processes must be conducted with flexibility but with firmness and, as demonstrated

by the experience of all democracies, the armed forces must be placed under effective civilian control.

This will be a serious issue in the debate following the property law and in relation to the government changes that will supposedly take place at the end of the year. Perhaps next year the Nicaraguan armed forces will begin to be commanded by civilians, as the majority of the people hope, and as the health of our nascent democracy demands.

* Withdrawal of Property Law Veto Praised

92CA0014A Managua LA PRENSA in Spanish 3 Oct 91 p 4

[Commentary by Horacio Ruiz]

[Text] President Violeta de Chamorro deserves a great deal of credit for the decision she reached in Paris, withdrawing her earlier veto of Law 133. This law, which was passed by the National Assembly, seeks a just correction of the abuses perpetrated by Sandinism during the transition period in 1990.

The general tenor of the comments has been that the chief executive has placed another essential stone in the great edifice of democracy that has been under construction in Nicaragua since she took over as president; she has acted with decisiveness, firmness and a clear sense of her government responsibilities.

Admitting that she may have been mistaken in vetoing Law 133, the chief executive recognized the need for harmonious relations with the National Assembly, which is pursuing the same goals she is, by correcting errors and setting objectives to bring about the democracy for which the Nicaraguan people have suffered so much.

In facing the problem of the Sandinists' illegal giveaway of property when they knew they had lost the elections, both the president and the National Assembly are determined to bring about justice. This is essential for the nation, for if this type of depredation were left unpunished through fear, complacency, or convenience, any other attempt to promote strong guidelines for good government in Nicaragua would be useless.

By stating her afterthoughts that she may have been mistaken in vetoing Law 133, the president found a way of rapprochement with the National Assembly, and she recognized the efforts the members of this legislative body have made to achieve a just outcome for the "Pinata" case.

President Chamorro has said quite specifically on two occasions that she believed that State property which had been taken illegally by the Sandinists should be returned to its original owner. It should be understood that her veto was issued with the best intentions, but in the end a sounder reconsideration prevailed.

The withdrawal of her veto opens the way for discussions, revisions, and reconsiderations of Law 133. This represents a victory for the views of the 52 UNO [United Nicaraguan Opposition] deputies who supported it. The presidential veto never meant that this law would disappear, but only its thorough revamping and remodeling, as required. But the spirit of the law could not perish and it has prevailed: the Sandinists who took over state property, simulating purchases of extremely valuable real estate for ridiculous sums of money, will not go unpunished. If such an abuse, which has not been seen in any country upon changes in governments, had been allowed to endure, the very structure of the democracy established in Nicaragua in 1990 through the people's vote would have been irreparably damaged.

Those of us who advised the chief executive to be very cautious in using the veto, and who greatly regretted her use of it in this case, because of what her advisers termed, using language from the old regime, its "high political cost," were pleased to learn that while she was in Paris the president unexpectedly changed her views and corrected her earlier position. This was understandable, given all the daily factors that make the task of governing so difficult.

What is important is that the two branches of government have recognized each other's position, have drawn closer together and reached agreement on the need to work together on a new draft of Law 133. In all justice, the new draft must certainly contain the penalty deserved for the looting of property belonging to the Nicaraguan people which took place from February to April 1990.

* Government Negligence Blamed for Rural Unrest

92CA0014C Managua BARRICADA in Spanish 25 Sep 91 p 3

[Commentary by Luis Carrion Cruz]

[Text] First there were recontras; now recompas are appearing, threatening a tragic replay of a war to which we Nicaraguans must never return. The government tends to downplay the importance of this dangerous phenomenon, saying that the rebels are just a few people with no international backing, who do not represent a serious threat to the nation's political stability.

These soothing opinions are only a weak excuse which cannot justify the government's incredible negligence and unresponsiveness in facing this serious problem. Anarchy and a vacuum in leadership are the rule in widespread rural areas where the lives and properties of the citizens in general are at the mercy of armed rebel groups, of criminal gangs and of prejudiced officials. Campesinos, merchants, transport workers, farm owners, and workers of any political position are all at risk.

A government's first responsibility is to safeguard the physical and moral integrity of the citizens and to ensure the full exercise of their political, social, and human rights with fairness and justice. When the state does not

meet this essential obligation, the citizens are left with no other recourse but to organize their own protection and to take justice into their own hands. Civilized coexistence disappears and the law of the jungle prevails.

Some people may say I am exaggerating and call me an alarmist. But I believe that the lives which have already been lost and those which could be lost in the future, the untold property damage, and the distress and fear of political and criminal violence in which thousands of rural families are living are more than sufficient reasons to sound the alarm and denounce the government's negligence in meeting its constitutional obligations.

Tolerance and Impunity

The first groups who took up arms were the recontras who organized the murder of several Sandinists and launched military attacks against National Police units. Some of these groups try to justify their actions by citing political reasons that are often in open contradiction with the Constitution and the laws of the Republic. I do not deny that they may have some valid claims, but these claims are immediately invalidated by their criminal actions and their violent challenge to legally consitituted authorities.

The recontras' rebellion and the crimes they have been committing have created widespread fear among the population in general, but especially among Sandinists who wait defenselessly in their homes for a group of recontras to come to kill or attack them. This real lack of security has been heightened by the government's indulgence and the legitimacy it has given these groups, by negotiating with them while they continue to perpetrate their criminal activities.

These negotiations and their attendant publicity have only served to encourage the emergence of new groups of rebels, and to make the Sandinists in many rural areas aware that the government is not going to protect their lives and safety. Their defenseless state has been confirmed by the fact that in the majority of cases these criminals go unpunished, and at times are not even prosecuted by the authorities.

Given these circumstances, the appearance of recompas seems a logical consequence of the situation that has been created, as the only way left to them to defend their lives. Let this be clearly understood: I am not calling for an uprising of recompas. I am merely saying that those who have taken up arms to defend their life and the lives of their families, and those who have taken up arms to impose their political will or to perpetrate attacks on the public highways cannot be placed on the same level.

As time goes by without the government taking action to turn around this grave situation, we are moving toward a state of anarchy and of growing Lebanonization. And so long as the government remains essentially passive, the problem will grow worse, while extremist politicians on the right encourage such confrontations in a blind and irresponsible desire to attract supporters and improve their credentials as anti-Sandinist hardliners.

Attacking Root Causes

The minister of government recently announced a new crusade to disarm civilians, calling for the formation of a security commission in which various political groups and other organizations would take part. Without trying to deny the importance of these initiatives, I must say that they do not go to the heart of the matter. If they are not accompanied by other actions, they are doomed to generate new frustrations that will cancel out the government's limited credibility on such issues.

It is essential that the government clearly demonstrate its political determination and its ability to attack the indepth causes of this serious situation, causes which include: the vacuum in authority, the lack of punishment for criminals, the lack of credibility of both civil and military authorities, the appeals for revenge, property owners' lack of security, and the worsening of the socioeconomic crisis.

If the government fails to do so, such initiatives will serve only as occasions for well intentioned but innocuous speeches and for media propaganda.

Only when the government effectively ensures the safety and the rights of all its citizens on an equal basis, no matter what their political positions may be, will it be possible to proceed with a true campaign to disarm all civilians.

I am sure that when these conditions have been met, when the reasons justifying the possession of arms at this time have disappeared, many people will be prepared to turn in their weapons, and they will even actively support the authorities in disarming groups and individuals still unwilling to comply.

Panama

Doctors Strike Successful, Gains Union Support

PA3110042991 Panama City EL SIGLO in Spanish 30 Oct 91 p 8

[Report by Jose Gonzalez Batista]

[Text] Members of the AMOACSS [Association of Doctors, Dentists, and Related Professionals of the Social Security Fund] have indicated that the 48-hour strike it has called will receive the support of different labor, trade, professional, and student groups. The strike, which could be extended, entered its second day and is 100 percent successful, the AMOACSS leaders added.

Groups like the National Council of Organized Workers, National Central Organization of Panamanian Workers, Coordinating Board for the Right to Life, Union of Workers of the Institute of Hydraulic Resources and Electrification, Port Authority workers, Barmen and

Waiters Union, and Independent Lawyers Front, will join the Amoacss strike on 30 October as a gesture of solidarity to put pressure on the National Legislative Assembly. The purpose of this action is to get the National Legislative Assembly to study carefully the bill amending the Social Security Fund [CSS] and to change those articles that do not benefit insured persons or pensioners. Amoacss President Dr. Miguel Calobrides spoke by telephone on 29 October with Legislative Assembly President Marco Ameglio to find a solution to this problem caused by the amendments to the CSS, currently under debate by the by the full assembly.

Deputy Ameglio told the group that the terms for some legislative proposals regarding CSS reforms will be negotiated in the Legislative Assembly's Health Commission. He also invited the Amoacss leaders to take this mechanism into consideration because it could allow the Amoacss proposals to be considered by the assembly during a second debate without returning the bill to a first debate.

The president of the Panamanian parliament also asked Dr. Calobrides, the group's leader, to suspend the strike and instead establish the norms for his group to consider Deputy Ameglio's offer. After the telephone conversation, the Amoacss president met with Deputy Gloria Moreno de Lopez to agree on a mechanism to find quick solutions to the problems in the CSS.

Several of the country's workers groups, including thousands of workers, will unite with the Amoacss to reject the CSS draft bill and to protest the suspiciously hasty manner in which this draft bill is being handled by the Legislative Assembly.

The organizations express their solidarity with the Amoacss decision and demand that the Legislative Assembly immediately suspend the debates at the plenary meeting. They demand the formation of a forum grouping the organizations that represent most of Panamanian society to discuss developing a plan of consensus for the CSS reforms.

Endara Makes Supreme Court Justice Appointments

PA2710004391 Panama City EL PANAMA AMERICA in Spanish 25 Oct 91 p 2A

[Report by Jose Ivan Ramos]

[Text] The executive branch has appointed two justices to the Supreme Court, President Guillermo Endara Galimany announced yesterday during his weekly news conference.

Nilsa Fransechi de Aguilera will replace Justice Cesar Quintero while Justice Rodrigo Molina will serve another term at President Endara's request.

The president said that the terms of Justices Quintero and Molina will end on 21 December 1991. He added that he also asked Quintero to serve another term but the justice declined for health reasons.

New Justice Nilsa Fransechi de Aquilera currently heads the Higher Court of Justice of David's 3d Judicial District in Chiriqui Province.

Police Discover Missiles, Military Equipment

PA2810201491 Panama City LA PRENSA in Spanish 28 Oct 91 p 1

[Report by Roberto Lopez Dubois]

[Text] Judicial Technical Police [PTJ] Director Oswaldo Fernandez has reported that during an operation by the PTJ and the Special Prosecutor's Office, a large amount of military equipment was seized on the afternoon of 27 October in a residence owned by Rodolfo Castrellon, a former major in the defunct Defense Forces.

The weapons included Chinese-made SAM-7 surface-to-air missile launchers. [Panama City EL PANAMA AMERICA in Spanish on 28 October on page 1 reports in a similar article that "six SAM-7 missiles used to down helicopters" were found.]

Four Colombians and one Panamanian were arrested in the operation.

The PTJ director disclosed that the Colombians' passports indicated that they entered and left Panama twice a month. The last time they did so was this month.

One of those involved is a 24-year-old member of the Colombian Army reserves.

Fernandez indicated that the high caliber weapons have a 50-mile range, and that they can be launched from the Paitilla area to the Presidential Palace without any difficulty.

The authorities also found ammunition for AK-47 and M-16 rifles and for 9 mm pistols. He indicated that these are the same types of weapons used by the Salvadoran guerrillas.

The PTJ director said that in addition to the missile launchers, they also found large amounts of ammunition, bulletproof vests, life preservers, fatigues, and a telescopic sight.

Fernandez did not provide further details about those involved in the criminal action so as not to violate the principle of presumed innocence.

PTJ officials said the objective sought by these individuals is not yet known, because this is still under investigation. An anonymous source provided information to the authorities.

Asked if he knew the names of the leaders of this movement, the PTJ director said the investigations continue so he cannot give further details.

He indicated that it is possible that other people are involved.

Fernandez said that the confiscated weapons were not part of the armament of the defunct Defense Forces. He added that he does not know when they entered the country.

The weapons were found at 1700 in the evening at house No. 5 in the Chanis neighborhood.

It was reported that former Major Castrellon was military attache at the Panamanian Embassy in Argentina during the U.S. invasion of Panama. He is considered to be a fugitive from justice.

It was indicated that the PTJ is planning an operation to arrest Castrellon.

The weapons were concealed in the residence.

Fernandez explained that armed PTJ units arrived at the residence at 1700 with a search warrant issued by the Special Prosecutor's Office. The occupants of the house did not put up any resistance. Those involved in the case include a woman who rented the luxurious house for $200, an amount that a PTJ official said "is ridiculous for a house of this kind."

PTJ members indicated that they became suspicious after they received information that the occupants of the house used rented cars, that "strange" people would arrive at the house at night, and that unusual activities were taking place.

PTJ units are guarding the residence.

The authorities also found photographs of former Maj. Castrellon when he was a military attache in Argentina, photographs of former Democratic Revolutionary Party legislator Otilio Miranda, and buttons with the photograph of Omar Torrijos.

Court Upholds Government Extradition Order

PA3010173191 Panama City EL PANAMA AMERICA in Spanish 30 Oct 91 p 6A

[Report by Orlando Mendieta]

[Text] The Supreme Court has upheld a decision by the executive branch ordering the extradition of Colombian drug traffickers William Quinceno de la Pava and Alfredo Solarte Munoz. The two are sought by U.S. authorities for conspiring to smuggle drugs. The court's ruling rejected the challenge filed by the Reynold, Chacon Arias, and Associates Law Firm because there were insufficient grounds to void the executive decision.

The Narcotics Department of the Technical Judicial Police arrested Solarte and Quinceno de la Pava on 24 March of this year, and they are confined at the Modelo Jail. The two drug traffickers have been sought by the Eastern Division of the Northern Illinois District Court to be tried for international drug trafficking and unlawful association to commit a crime.

The U.S. Government, through Ambassador Deane Hinton, submitted the extradition request on 17 May. It was reported that the Colombians can receive a minimum sentence of 10 years in jail. Lawyers for Solarte and Quinceno de la Pava had challenged the decision, arguing that the procedures followed to order the extraditions did not meet legal requirements. The Supreme Court and Attorney General Rogelio Cruz rejected this view in a court hearing.

Japanese Embassy States Financial Aid Position

PA3110001891 Panama City EL PANAMA AMERICA in Spanish 29 Oct 91 p 1A

[Article by Eduardo Soto P. and Juan M. Diaz]

[Excerpt] On 28 October, President Guillermo Endara refuted in Guatemala the "regrettable" statements made by Japanese Embassy Counselor Osamu Igami, who denied that the Japanese Government had agreed to contribute $100 million to repay Panamanian external debt interest in arrears.

Endara, who gave an exclusive interview to Panamanian television's Channel Two, stated that when he traveled to Japan officials at every level "assured me that the assistance (...) was a fact."

Even though he acknowledged that he had not participated in the meetings at which Planning Minister Guillermo Ford discussed this issue, President Endara pointed out that "we did not speak in terms of dollars and cents, but we did discuss that they were going to form part of the support group." He also stressed that during the meetings in which the Japanese participated, it was said that the amount they would contribute, once they became part of the group, would be more than $100 million.

The Panamanian chief executive stated that it was regrettable "that a minor official could have made statements to the newspapers" without first having consulted with the national authorities.

In his interview, President Endara explained that all of the information he received concerning the Japanese contribution was provided by Vice President Guillermo Ford, who spoke to the Japanese authorities about this issue in his role as minister of planning and economic policy.

Japanese Embassy Counselor Osamu Igami sent a note to EL PANAMA AMERICA in which he clarified that the Japanese Government will support the Panamanian Government as much as it can, and that it would like the economic adjustment program to be a success.

The note states as follows:

The Japanese Embassy hereby clarifies that it will support the Panamanian Government as much as it can. We would like the Panamanian economic adjustment program to be successful, as His Excellency Yoji Sugiyama, the new Japanese ambassador, told His Most Excellent President of the Republic of Panama Guillermo Endara on Friday, 25 October, during the presentation of the letters of credentials. However, the Japanese Embassy considers that the amount of cooperation requested is very delicate, and both countries should be cautious.

At the same time, the Japanese Embassy reports that on Friday, 25 October, a meeting took place between His Excellency Mr. Yoji Sugiyama, the new Japanese ambassador; His Excellency Mr. Guillermo Ford, the second vice president of Panama and minister of planning and economic policy; and His Excellency Mr. Jose Raul Mulino, acting foreign minister. The meeting explored the understanding and friendship between the two countries. It was agreed that more information would be exchanged between the two parties. [passage omitted]

IDB Official on Economic Future, Adjustment

PA3110231091 Panama City LA ESTRELLA DE PANAMA in Spanish 29 Oct 91 p 1

[Report by James Aparicio]

[Text] Inter-American Development Bank (IDB) representative Luis Sanchez Masi said on 28 October that Panama's economic future will be "critical, disastrous, and calamitous" if the country does not implement structural adjustment measures. Such measures should be aimed at stopping the increasing unemployment, the dropping economic growth, and the low productivity.

Sanchez Masi told LA ESTRELLA DE PANAMA that "the problem is very clear in the case of Panama: the economic future would be difficult and critical if the economic tendencies of the last 20 years are continued."

The IDB official reported that at least 15 projects—worth approximately $130 million—have been suspended since 1989. Their reactivation depends on the normalization of relations between Panama and the international finance organizations (IMF). [as published]

Sanchez Masi explained the IDB is advising Panama on the technical aspects of the privatization of the National Institute of Telecommunications (Intel), which he described as a "very complex" process.

He also said that the IDB is supporting the programs for the port administration concessions for private enterprise; and for increasing the efficiency of IDAAN [National Water and Sanitation Institute] and IRHE [Institute of Hydraulic Resources and Electrification], and for the privatization of their auxiliary services: security, collection, measurement, and mechanics.

Panama started a modernization and structural adjustment program in June 1990. The program has been questioned by the industrial sector and by groups representing workers and teachers, as well as opposition political groups.

According to the Planning and Economic Policy Ministry, the adjustments—which are necessary to normalize the refinancing of the foreign debt, which is more than $5 billion, and to improve Panama's relationship with the IDB, the World Bank, and the IMF—will be implemented in 18 months.

In the meantime, the parliament is discussing the reforms to the law of the Social Security Fund, while the approval of a privatization law and several tax reforms are still pending.

Sanchez Masi said that Panama's decision to modernize its economy is "an important step." He also stated his optimism over the democratic interplay that is taking place in the country.

"I am confident that reason will prevail in this interplay," said Sanchez Masi, while commenting on the role of the parliament in the approval of several controversial laws that form part of the structural adjustment package.

Sanchez Masi asked: "What would happen if the adjustments are not implemented?" He then answered that future prospects would simply be closed, and the economy would deteriorate.

Argentina

Police Official Calls Budget Allocation Unfair

PY3010162891 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2121 GMT 29 Oct 91

[Excerpt] Buenos Aires, 29 Oct (NA)—General Adelino Barberis, chief of the National Border Police, complained today about the "unfair budget treatment" accorded to his security force compared to that given to the Armed Forces. He also congratulated his subordinates for having intervened in the Iron and Steel Joint Association [Somisa] conflict "without firing a single shot."

Commenting on the reorganization of the National Border Police to members of the Defense Committee of both houses of Congress, Barberis described the hardships endured by his force to which "the 1992 budget has only $24 million allocated, while it actually needs a total of $148 million."

Barberis said: "The National Border Police need $45 million for operational expenditures and $103 million to replace obsolete equipment."

He added: "Political officials claim that we are going through a crisis. We are aware of that and we have assumed our share of it, but we do not approve of the unfair budget treatment accorded to us in relation to other forces which have received larger amounts."

Barberis said: "A policeman earns 2.3 million australs per month and a senior officer 14 million australs. Our personnel had to intervene at Somisa wearing uniforms paid out of their own pockets and managed to do so without firing a single shot."

Commenting on cuts within the National Border Police, Barberis said that the force has 18,205 men "when it actually needs 25,000 men to implement full surveillance on border areas nationwide."

He also hinted at his disagreement with the Internal Security Draft Law submitted by the executive branch by noting that the National Border Police should be under the Defense Ministry, not under the Interior Ministry. [passage omitted]

Army Chief of Staff Petitions for Retirement

PY3110015091 Buenos Aires TELAM in Spanish 0127 GMT 31 Oct 91

[Text] Buenos Aires, 30 Oct (TELAM)—General Martin Bonnet, Army chief of staff, tonight filed his petition for retirement, and he will be replaced as acting chief by General Martin Balza, the current deputy chief of staff.

A reliable Army source made the announcement shortly before 2300. The source said Bonnet sent a radiogram to all Army organizations, units, and commanders to inform them of his decision.

Bonnet's message also announces that Gen. Balza will be the acting Army chief of staff until President Carlos Menem appoints his successor. [passage indistinct]

Commentary Cites Infighting Within Government

PY3010120491 Buenos Aires CLARIN in Spanish 27 Oct 91 p 14

[Report by Eduardo van der Kooy]

[Excerpt] Interior Minister Jose Luis Manzano admitted that there are controversies within the cabinet. Economy Minister Domingo Cavallo said: "Menem pressures me because he supports me." International Economic Relations Secretary Alieto Guadagni declined to move from the Foreign Ministry to the Buenos Aires government when he realized that someone wanted his post. Media Communications Secretary Horacio Burzaco indignantly submitted his resignation over the course being followed by Argentina Televisora Color, but later withdrew it; and Defense Minister Erman Gonzalez advised the president "to silence one of his supporters, who is talking too much."

As Cavallo put it—and his opinion was supported by Presidential Secretary Eduardo Bauza—there are many indications which make it hard to believe that the government difficulties are only caused by external pressure or by an unclear conspiracy.

President Menem put the final touch. His obligation to play an outstanding political role was the reason why he made the exaggerated forecast that the current cabinet will remain until 1995. Even though this may have temporarily cleared the sky, it also proves that there are clouds.

Infighting is nothing new for the Menem administration. It appeared when he arrived at the Casa Rosada, and it remarkably worsened after 3 December, when Menem hit his highest level of popularity after repressing the "painted faces" rebellion.

This infighting was coupled with economic collapse, corruption, and drug-trafficking charges, which set him on course to chaos. The stability achieved with the convertibility plan, however, helped him overcome the situation. This is why he comfortably passed the electoral test of 8 September. Over the past 50 days, however, the consensus that was reflected in the ballot boxes faded faster than expected. This happened because of the ambitions that once again surfaced in the administration and because of his disregard for the social cost of the adjustment program. There is the impression that the government badly needs today's elections in an attempt to recover some of the political support that it unskillfully squandered over the past month and a half.

Menem apparently lost a good deal of cabinet unity, which was weakly secured after the designation of Jose Luis Manzano to replace Interior Minister Julio Mera Figueroa.

While old old confrontations gained new strength, new intrigues al also surfaced. Several of the main ministers can in no way ay be considered blameless for the situation, yet the y are nc not the only ones responsible nor the only actors in th' playlay.

On the copcontrary, President Menem's controversial leadership stylyle from time to time helps revive disputes and nurture disdistrust. It is not a new habit for Menem: There were severeral examples since he came to power.

The memcmory of Mendoza Governor Jose Octavio Bordon's deciecision not to share a strategic area of the governmemment with Julio Cesar Araoz, although distant in time, is st still fresh. Moreover, the stubborn determination to re reinstate Maria Julia Alsogaray—who never brought an any calm to the government—has raised many questions. is.

Was it ne necessary to disagree with Cavallo over the privatizatiation policy while the foreign debt was being renegotiatated, and just a few weeks before beginning a key visit to thhe United States? Why did he reprimand the minister, , forgetting that immediately after he would have to mmake a new gesture to bring tranquillity to the economy?y?

Is it actuallally worth securing a future post of secretary of the enviroronment and the return of Alsogaray, with the risk of newew conflicts?

Consequenently, it is all too easy for political uneasiness and intrigugue to grow. In addition, changes are reportedly taking plaace in the very seat of power.

The "blue"e" group—Eduardo Bauza, Jose Luis Manzano and Eduarrdo Menem—consolidated their hegemony last summer, b building a chain of alliances and counteralliances that it turned them into essential factors in the formulatiion of government policies. Yet there is an impressioon of weariness, probably caused by the practical difficculties in handling so much power.

Eduardo Menem, the president's brother, has very little participatation in each move suggested by his colleagues of the group. He is probably waiting for 10 December to catch the vice presidency that Eduardo Duhalde will leave vacaant when shifting to the Buenos Aires governorship.

Relations between Eduardo Bauza and Jose Luis Manzano do not seem to have remained unchanged either. They, alonng with Cavallo, make up a strong government troika.

This troika operated smoothly when each of them was in a different sector of power. Bauza was in the general secretariat. Manzano in the Chamber of Deputies, and Cavallo in the Economy Ministry. There was no overlapping of either jurisdiction or roles: Bauza channeled the president's wishes; Cavallo pushed the most resisted laws of the convertibility plan; and Manzano made use of his political clout to have them approved by Congress. [passage omitted]

* Rico's Biography, Political Views Reported

92SM0038A Buenos Aires SOMOS in Spanish 23 Sep 91 pp 4-9

[Interview with Aldo Rico by Jorge Grecco; place and date not given]

[Text] Alejandra Medina, a radio producer, was 22 at Easter time 1987. She was working for Radio Mitre on Juan Carlos Mareco's program "Cordialmente." On Friday 17 April of that year, Alejandra Medina dialed 666-7101 to call the Infantry School. After a short transaction she advised the leaders that communication had been established. At 1107, the voice of then Lieutenant Colonel Aldo Rico came on the air, and for the first time the audience heard the voice of the man who, from that time onward, would become a controversial figure in Argentina's contentious politics.

Aldo Rico ("Nato" or "Roca") had emerged from anonymity with an action that was very indicative of his personality: He entrenched himself at the Campo de Mayo and demanded, among other things, that the military issue be resolved. He was accompanied by a group of mid-ranking officers (majors, captains, and lieutenants) and some non-commissioned officers. They took over the Infantry School and kept the government of Raul Alfonsin—and the entire nation—on tenterhooks for four days. At that time, he wanted to be seen as a "union member" who was merely asking for what the Army leadership was unable to obtain. In fact, however, his image emitted a faint odor that reminded people of previous military coups: That side of him bore a perfect resemblance to the picture that people all along the political spectrum associated with someone capable of such action.

The Great Leap

The passage of time revealed that there was some truth to these images, but they did not at all depict the "Rico phenomenon" in its entirety. The passage of time also changed the scenery on the stage he had set for himself, and although he refuses to acknowledge it, he went from advocating military solutions to proposing himself as a political alternative. The leap brought him more gratification than frustration, and today his self-assured countenance appears on the television screen, where he was always portrayed as a specimen from the past. Everyone tries to explain the phenomenon. They want to know why he won so many votes in Buenos Aires. They are a little fearful of him, and above all, they are surprised at his intellect.

Now it is time to reap part of what he sowed, and although he cannot contain his satisfaction at the perplexity of his interlocutors, he makes full use of the media to send a clear message that is, of course, an opposition message. People may agree or disagree with him, but no one can ignore him. They are rediscovering him, and he is even being welcomed into the republic, as if he cared whether anyone ushered him in. Rico knows

very well what he wants, and if his past shows us anything, it is that he will put everything on the line to get what he wants. Rico is among us. He always was, but the majority never wanted to accept him.

Hour of Battle

Jose Maria Rico came to Argentina from the mountains of Asturias. He was from the town of Leirio, Castropol Council, Balmonte Parish. The house where he grew up was made of stone, with a slate roof; it was known by the name of Louguison, and it was near the Pito and Garecho residences. The Spanish economy at that time merely expelled Spaniards to the "American miracle," and that was where Jose Maria went. His wanderings ultimately landed him in Argentina. He worked in the restaurant business, and soon he was the owner of a bar (with billiard tables and bocce ball courts) across from the Salaberry Hospital.

On 2 March 1943 his son Aldo was born. They lived in Palermo, but shortly afterwards they moved to Mataderos. Aldo, as he himself recalls, had a happy childhood. He attended the Hipolito Vieytes business high school, but he did not like his major; his future was decided when he read Winston Churchill's "History of the Second World War" and discovered that he had a latent military calling.

Rico entered the Military College in 1960, and he stood out almost immediately: two years later he was found to have been insubordinate to a superior officer and was held back. He was commissioned in July 1964, and was assigned to various places until he received training in 1968 to become a commando in an elite army group. Between 1971 and 1972 he was an instructor at the Military College, but due to serious differences with the director of the institute, General Jorge Rafael Videla, he was transferred to Regiment 17 of the Airborne Infantry. As a result of this experience, he was able to join the Airborne Division of the Peruvian Army in 1974. Between 1976 and 1977, he studied at the Military Academy, and it is said that he distinguished himself through his interest in and knowledge of history. In 1980 he went to the Infantry School as head of senior officer training. Later on, that period would be cited as one of the most important factors in explaining his influence over his comrades. In the Malvinas he was assigned to head Commando Company 602, and although the results of his actions were only relative, many members of his group won medals for their great heroism. Rico went to Malvinas with 23 officers and 17 non-commissioned officers; he returned with five fewer men and eight men wounded, two of them disabled.

Like his fellow combatants, he returned to a cold and uninterested reception, not only on the part of civilians, but also—and this was the most disappointing—on the part of the higher echelons of the Army.

By late 1985 he was serving as chief of an infantry regiment in San Javier, Misiones. He remained at that post until 0745 on Thursday, 16 April 1987, when he boarded an Austral flight to Buenos Aires; he had decided to upset the military applecart. The term "carapintada" [painted face] made its way into the Argentine political dictionary.

Political Roots

Rico's best friend, who was also his brother-in-law, was one of the leaders of the Montoneros movement. He is presumed to have played a lateral role in the organization's debut in armed warfare: the kidnapping of Lieutenant General Pedro Eugenio Aramburu. Rico's brother, a doctor who worked for the Army, was killed in Central America under circumstances that are still shrouded in mystery.

Rico frequently recalls that his brother and brother-in-law died in the context of the "antisubversive war," and he adds in a note of clarification, "one on each side." He is not known to have been accused of participating in repressive actions, but he is a staunch defender of what was done in this regard during the "process" [military regime]:

"We waged war because the subversives wanted to impose, through elitist means, a political program that took away our national identity without taking into account the real aspirations of the people, and that limited the freedom of expression. Besides, we are not exempt from having to fight that enemy once again," he said in late December 1989 at his country home "Los Fresnos."

[Grecco] And what about the wrongful acts?

[Rico] I will cite a specific example. I capture a guerrilla. I know he belongs to an organization that is operating and has planned a terrorist assault on a school, for instance. My obligation is to obtain information quickly so that I can stop it. What choice do I have? Make him talk, or let him take refuge in the Constitution? The problem is, Argentine society has not put itself in the context of the war and the characteristics of war.

[Grecco] You did not say what is done in those cases.

[Rico] The prisoner must be made to talk, one way or another. That is the issue, and that is what must be faced. The subversive war is a special war. There are no ethics.

Relations With the Enemy

When he is asked about his relations with former Montoneros (he had some meetings with Rodolfo Galimberti, for example), Rico adds:

"Well...I have ties with all those who place themselves in the national context. It is healthy for all of us to engage in self-criticism and to evolve in our thinking. Moreover, he is not the same as (Fernando) Vaca Narvaja and (Roberto Cirilo) Perdia."

[Gregori] So it would be possible for a theoretical antisubversive struggle in the future to find you and Galimberti on the same side?

[Rico] Yes, it is possible.

The policy advocated by Rico obviously covers a broad ideological spectrum that draws on various elements of the historical doctrine of Peronism (journalist Horacio Verbitsky calls them "pre-Peronist"), but it also includes developmentism, a pinch of liberalism, and even a little of what is known as national leftism.

"I have no problem talking and exchanging points of view with people who belong to the national context, and even maintaining contacts, as I do, with leaders of the Party of Labor and the People (the PTP, formerly the Revolutionary Communist Party, of Maoist origins) and the Patriotic Movement of Liberation (the MPL, formerly the Front of the Popular Left, of Trotskyite origins). This is politics, conversation, seeking areas of agreement, and I think these objectives can be achieved with any sector that is not having its strings pulled by foreign powers, as are the Communist Party, the Montoneros of Vaca Narvaja and Perdia, and the Social Democrats. And note that when I talk about Social Democrats I do not do so pejoratively, but this is a solution for European problems, not for what we have here in Argentina."

But Rico takes it a step further, and adds:

"Personally, I agree with the analysis of the situation put forth by Luis Zamora (national deputy for the Social Affirmation Movement, MAS). What I do not agree with is the solutions he proposes. The thing is, when we talk about revolution, or about continuing an inconclusive revolution, first we put it in the cultural and ethical context of a nation, because we believe that the problem lies in the hearts of men and not in the structures. Moreover, this revolution should be completed by creating the necessary conditions for man to be able to work, to advance in peace, to educate his children, and above all, to achieve salvation (from a Christian point of view) if he so desires. I am a devout Catholic, and my devotion grows stronger every day. What happens is that I experience politics in a Catholic way, I experience my situation as a soldier and as a citizen in a Catholic way, but I do not engage in Catholic politics; that is a different matter.

The former lieutenant colonel believes that the backbone of the national context is Justicialism, "which some would empty of its contents." But when it comes time to define himself from a philosophical standpoint, he prefers to describe himself as an "Aristotelian-Thomist or moderate realist in the mold of Ethien Gilson." Long gone are the days when, wearing his military uniform and waving a gun, he pontificated that "doubt is the arrogance of intellectuals."

Votes Present

Aldo Rico's proselytizing campaign was not dictated by the "TV" theory recommended in the First World for "selling" a candidate. Several months ago, former Major Ernesto Barreiro informed the press that his polls showed 10 percent of the electorate supporting Rico. No one took him seriously.

With a couple of pickup trucks, a loudspeaker, and the Malvinas and San Lorenzo marches or an Ignacio Copani theme ("Beware of Thieves"), the Rico people would show up unannounced somewhere in Buenos Aires. Sometimes they would take an ironic approach, beginning their announcement with "Amira Yoma, President...." It was a matter of attracting attention and "forcing" people to come out of their houses. The frosting on the cake would be the appearance of the former lieutenant colonel in the back of a pickup. The candidate would merely wave and continue on his way.

To be sure, he was not the only one. Rico was the first to throw his hat in the ring, but his candidacy went almost unnoticed by political pundits because he opted for personal contacts rather than the sparkling media tours. He shook hundreds of hands, muddied his boots, and mixed with his potential voters like a man of the people. The strategy is nothing new, and until a short time ago, it was considered the exclusive property of the Peronists and a few leftist sectors that had abandoned Avenida Corrientes.

That was how he proved himself. He had to endure embarrassing moments—sometimes people reminded him of Holy Week or Monte Caseros, or he had to debate with Eduardo Duhalde's people—but he displayed a style that politicians usually shun: telling it like it is.

Rico vigorously attacked the government at its most vulnerable points; he did not criticize stability (he predicted it would not last long), but he said it would be incomplete if no one got the "productive revolution" under way. He raised the banner of honesty in government, and stated that the lack of honesty is as harmful as a failed economic plan.

Esteban Lijalad and Eduardo Fidanza, of the consulting firm EQUAS, wrote a statistical report (published by the daily PAGINA 12) in which they revealed that Rico obtained 75.3 percent of his votes from the lowest socioeconomic class, and although the majority earns more than 4 million australes, it can be argued that this sector fears losing what little it has.

Rico says that those who voted for the Menem candidates are actually voting out of "hopelessness," while the votes that went to him were a reflection of the electorate's rational thinking.

Forward or Backward?

Rico's political future appears to admit of no middle ground. If the "system" engulfs and destroys him (now he must answer for what his deputies do in Congress), he

will experience the same fate as that which befell other leaders who reached power from outside the traditional party structures. If, on the other hand, he manages to enhance his grassroots work, it is most likely that his support base will expand considerably.

As was the case when he led the "carapintadas," any sociopolitical crisis that emerges will aid his political cause, but if stability results in economic growth, he will not have much room to maneuver. In the latter case, Rico's alternative is to turn his platform into a credible alternative that is not viewed as a potential threat to the system.

The question is, did Rico's appearance in the winner's circle in the elections represent a step forward or backward for Argentina? Undoubtedly a step forward. What did lose ground was an outmoded way of conducting a campaign. And the alarm, this time sounded by someone in an olive drab jacket, must be heeded by everyone.

[Box, pp 8-9]

"I Am a Leader, Not a Pushover". Rico talks about his family, the idols of his youth, and how he got engaged. Weaknesses and revelations.

[Interview with Aldo Rico by Any Ventura; place and date not given]

[Ventura] I wonder if you know, former Lieutenant Colonel Aldo Rico, that journalists say it is very hard to talk to you. That you give whatever answer you want. Does it bother you to talk about your childhood, your family?
[Rico] No, I am very affectionate; the problem is, people have to get to know me.

[Ventura] How does one get to know you?
[Rico] By talking, chatting.

[Ventura] So let's talk. Tell me about your family, your parents.
[Rico] My father lives in a religious retirement home in La Matanza. My mother died the year I was commissioned. You know that my father owned many of the most important bars and candy stores in the capital.

[Ventura] And this seems to be a source of pride for you. Where were you born?
[Rico] I was born at my grandparents' house, on Cabrera Street between Gallo and Aguero. The back of my grandparents' house abutted against the back of Pichuco's house.

[Ventura] So Pichuco was your idol?
[Rico] No, my idol was Caliche, "the golden glove champion."

[Ventura] Did you ever think of becoming a boxer?
[Rico] No, I boxed at the Military College because my nasal septum was soft and the punches had no effect on me.

[Ventura] The punches did not hurt you!
[Rico] No, but later I had surgery. I also recall that I used to go to a lot of soccer matches with my Uncle Lindol. I was a fan of the Racing team.

[Ventura] Was your uncle in the military?
[Rico] No, he was an employee of the Ramos Media Hospital (he says enthusiastically). And he lived at my grandparents' house. We would spend three or four months at a time fishing and hunting with my uncle at Punta Lara. Uncle Lindol died very young, of cancer.

[Ventura] What can you tell me about your first date?
[Rico] It was with the woman who is now my wife. She was my best friend's sister. He also died. We went to grade school together. We dated together, and we got engaged at the same time.

[Ventura] Now, it seems strange that you devoted so much energy to becoming a military officer. Peron must have had an influence on you, right?
[Rico] I liked Peron—although my old man was an anti-Peronist Spaniard. He would take me to hear Crisologo Larralde. But the first political impact I can recall was Arturo Frondizi's speech in 1958. I remember that I was listening to the car radio, we were on our way to go hunting in Las Flores, and it was freezing cold.

[Ventura] When you speak of your childhood, it is hard for me to recognize the man of Holy Week, the man of Monte Caseros, the man about whom many young people cry, "The death penalty for Rico!"
[Rico] Look, I cannot convince them through a magazine article. But young people must understand why I do what I do. I have no regrets about Holy Week. I would do the same again under the same circumstances.

[Ventura] Tell me, Rico, in your view, since you confessed that the worst of all sins—as Dante wrote—is treason, which men have failed their country?
[Rico] Menem, first of all. Also Alfonsin. The generals of the "process"—either consciously or out of stupidity—all of them.

[Ventura] There are democratic sectors that have serious incompatibility problems with you. Does this make you mad?
[Rico] Yes, it makes me mad; I harness the anger. Anger for its own sake makes no sense.

[Ventura] In fact, you have given anger a political meaning. You have turned it into votes.
[Rico] We received the votes of those who had lost hope, but who have a great capacity for intellectual thought and reason.

[Ventura] The vast majority who did not vote for you—whom did they vote for?
[Rico] They elected candidates who campaigned with their mothers. And I am at a disadvantage because my mother is dead. Family ties do not matter here. Because people have an extraordinary relationship with Menem, and people voted for the productive revolution. And

today we are in the middle of the "corruptive revolution." In Buenos Aires Province, people may have voted their emotions, but they elected an "interventor" [official assigned to oversee labor unions] who will not defend the interests of the province.

[Ventura] Where is it written that you have better arguments?
[Rico] The issue is not who has the best arguments or who is right. The issue is, what are the nation's objectives. And they are not subject to debate.

[Ventura] This "arbitrary" attitude of yours scares some people.
[Rico] Excuse me? I am not interested in the sectors that are afraid of me. I wish 15-year-olds could vote, then I would have won!

[Ventura] And what about those who think you are antisemitic?
[Rico] I have any number of Arab and Jewish friends. Have I ever attacked an Arab or a Jew? For 30 years I led soldiers of all races, of all religions, of all colors.... You will not find a single conflict or a single crisis with a subordinate in my entire military career. My problems are with my superiors: generals or presidents. Because I hate injustice and arbitrariness. Those men with such likable images are very contemptuous of the people. That is the most important characteristic of the Argentine politician, contempt for people.

[Ventura] And sure, people are masochistic and they voted for the candidate, who scorned them.... Come on, Rico.... Tell me, what would you negotiate today if the president were to call you?
[Rico] I have nothing to negotiate.

[Ventura] All men have a price. What is your price, Aldo Rico?
[Rico] There is no one who has revealed my weaknesses.

[Ventura] Which does not mean that you do not have them.
[Rico] But if anyone found about about them, I could not lead.

[Ventura] What is it that people should not know about Aldo Rico?
[Rico] Look, I do not have an Achilles' heel. Anyone who says that is a fool.

[Ventura] When have you felt foolish?
[Rico] No, I do not feel foolish.

[Ventura] Who has made you feel bad?
[Rico] No superior has ever made me feel bad. Ever. I have made my superiors feel bad.

[Ventura] All human beings are profoundly moved when they become parents. Was parenthood something you had to adapt to? Were your daughters' teenage years difficult for you? Did you negotiate privileges?
[Rico] Morality is not a matter of time and place. I have never imposed limitations on my daughters. Never.

[Ventura] Tell me, Rico, are you afraid of failure?
[Rico] Yes, I am afraid. But I am not going to tell you what my fears are, because that would not be right.

[Ventura] You must have a lot of them, because it is suspicious that you are always so much on the defensive.
[Rico] Do not ask me about them.

[Ventura] If we meet again in 1995 and you are not president of the republic, will you be able to admit you were wrong?
[Rico] Sure! Although that will not mean that I have not been successful.

[Ventura] Before we say goodbye, I wonder if it would not be more advantageous for a politician to admit his mistakes, to show his emotions, to be human.
[Rico] I do not want people to see whether or not I am human. People must see a leader, not a pushover. That is why the leader must prefer family to folderol.

Bolivia

Government To Mediate Ecuadoran-Peruvian Dispute

PY3110121491 La Paz EL DIARIO in Spanish 27 Oct 91 p 1

[Excerpt] High-level Peruvian and Ecuadoran Government missions are in our country. Today and tomorrow, through mediation by the Bolivian Government, the missions will try to agree to settle their border dispute.

Despite the fact that information on the subject was restricted, it was unofficially reported at the Bolivian Foreign Ministry that during a telephone conversation on 23 October, Mexican President Carlos Salinas de Gortari and Venezuelan President Carlos Andres Perez asked Bolivian President Jaime Paz Zamora to mediate in the conflict, seeking a peaceful solution to the border dispute between Peru and Ecuador.

According to the report, Paz Zamora immediately contacted his Peruvian and Ecuadoran counterparts, Alberto Fujimori and Rodrigo Borja, respectively, asking them to send special missions to La Paz.

The Ecuadoran mission arrived in La Paz on the afternoon of 25 October. It is comprised of special envoys Dr. Manuel Guzman Polanco and Dr. Diego Bustamante; and Ecuadoran Ambassador to Bolivia Hernan Holguin.

The Peruvian mission also comprises two special envoys and Peruvian Ambassador to Bolivia Dr. Oscar Laurtua de Romana.

Ecuadoran Ambassador Holguin went to El Alto International Airport to personally welcome his government's mission. He said that the envoys came with the specific mission of outlining the Ecuadoran viewpoint toward the border conflict with Peru, which developed some weeks ago.

He said: "In a speech to the United Nations, our president, Dr. Rodrigo Borja, stressed the need to definitively settle the conflicts between sister republics, and to ask Pope John Paul II to act as mediator in this territorial conflict."

He added: "We are deeply thankful for the concern shown by the governments of Bolivia, Venezuela, and Colombia—our sister Andean republics—which called upon the Peruvian and Ecuadoran Governments to peacefully overcome this situation."

He added that the special Ecuadoran mission will stay in Bolivia for 5 days, during which intense negotiations will be held with the Peruvian mission—which is also in La Paz—and with top Bolivian Government officials, like President Jaime Paz; Foreign Minister Carlos Iturralde; Vice President Luis Ossio Sanjines; and some former Bolivian foreign ministers. [passage omitted]

Official Cites Increased Drug Activities

PY3110123091 La Paz PRESENCIA in Spanish 25 Oct 91 Second Section p 1

[Text] Cochabamba, 24 October—The Special Antinarcotic Force [FELCN] observed an increase in cocaine production and trafficking. In some cases, the drug is being exported to the United States and Europe through "reactivated" routes.

Police Colonel Carlos Sanchez Guegner, the regional FELCN commander, said that investigations carried out by operational and intelligence units have established that traffickers are "very active."

Col. Guegner said that previously deactivated trafficking routes are again being used. Such is the case of Argentina, which is being used to export cocaine to other countries. He said the Argentine route is being used because of current controls on the Brazilian "route."

Col. Guegner said that traffickers have adopted new methods and transportation means within Bolivia. They are also using "non- traditional" routes. These routes were allegedly being used by a trafficking ring that was disbanded in April 1991 through the arrest of its main leaders, among whom is Isaac Antonio Galarza.

He added that "mules" take the drug to Argentina. He said that the cocaine that passes through Villazon, a town on the Argentine-Bolivian border, travels through Potosi, Oruro, and La Paz; and the cocaine that is introduced through Yacuiba and Bermejo, other towns on the Argentine-Bolivian border, passes through Sucre and Tarija. Thus cocaine is introduced to Argentina for "re-exportation."

Col. Guegner detailed the steps that led to this conclusion and the activities to "drastically" repress cocaine manufacturing and trafficking in its different stages.

Col. Guegner said that on 8 October in the town of "Juventud" in Chimore, authorities seized 4 kg of cocaine that were being transported by Jaime Antezana aboard a bus. On 9 October, authorities discovered a cocaine factory located in the "Valle Hermoso" area. During the raid, the authorities seized 8.1 kg of cocaine.

According to Col. Guegner's report on 15 October, authorities seized 7.6 kg of cocaine paste and 2.6 kg of cocaine hydrochloride in Quillacollo that were being transported on an interregional bus. On that same day, in Confital, the FELCN seized 31.6 kg of cocaine base that was being transported in "luggage."

On 21 October, during an inspection at the bus terminal, authorities discovered and seized 2.5 kg of cocaine sulfate; and on 22 October, in Quillacollo, authorities seized 3.3 kg of cocaine on a truck hidden among plantains and avocados. The alleged owner of the cocaine is Hernan Saravia Pinaya. His home in Santivanez was raided at 0400 on 23 October. Authorities found six empty 10-liter containers. Tests showed that these containers were used to transport "sweet water", that is, liquid cocaine. Saravia is still at large.

Col. Guegner stated: "Cocaine production has increased." He said that between 6 and 11 October, the authorities seized a total of 4.5 kg of cocaine while between 15 and 21 October, the amount of cocaine seized was much higher. He said that the amount of "sweet water" seized between 6 and 11 October totaled 115 liters, that is, enough to make about 38.8 kg of cocaine while the amount of sweet water seized between 15 and 21 October totaled 170 liters (56.6 kg of cocaine).

Entel To Install Earth Satellite Stations

PY3010233891 La Paz PRESENCIA in Spanish 19 Oct 91 p 12

[Text] The National Telecommunications Enterprise [Entel] will install small earth satellite stations in the camps of the oil companies operating in the country. The service will also include the sale of meteorological data and all the information related to the prospecting they are carrying out.

This information was reported to PRESENCIA by Entel Marketing Manager Jorge Cabrera, who said that Entel signed an agreement with the U.S. firm COMSAT-Communications.

Through that company, Entel will be able to enter the Inmarsat telecommunications system, which is also connected with other satellite stations. In the past this system was used for maritime communications.

Cabrera also disclosed that another important client that will enter the data network will be the U.S. Embassy.

He also said that Entel is negotiating an agreement with Alfa Lira Corporation, which administers the Panamsat satellite. Cabrera believes that representatives of that company will arrive in La Paz next week to sign an agreement.

Regarding the contract signed recently with Alcatel Telespace of France, Cabrera said that Entel's objective is to install 14 additional earth satellite stations for the domestic satellite system (Domsat).

The new stations will help solve communication problems with Trinidad, Bermejo, and other towns located near the border with five countries, and also with the zones considered important for wine production, such as the ones in Tarija and Chuquisaca.

Brazil

Marques Dismisses Shock Measures, Hyperinflation

PY3110002091 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 30 Oct 91

[Text] Economy Minister Marcilio Marques Moreira dismissed the possibility of new shock measures and said that there will be no hyperinflation in Brazil.

During a speech addressed to the National Monetary Council meeting, Marques dismissed the possibility of hyperinflation settling in Brazil and also said there will be no shock treatment to the economy, nor another price freeze.

The economy minister said that some sectors of the media talk about an inflation rate of up to 30 percent in October but the figures handled by the IBGE [Brazilian Institute of Geography and Statistics] prove the opposite.

[Begin Marques recording] According to the figures the IBGE has, the estimated inflation rate for October, which many said amounted to almost 30 percent, by no means reach that figure. It is way below that amount. [end recording]

During the meeting Marques held with the National Monetary Council, several resolutions were approved, such as the one granting a BNDES [National Bank for Economic and Social Development] loan to continue construction of the Xingo Hydroelectric Dam. Council members also approved some Agriculture Ministry resolutions establishing the minimum price for wheat; the price of barley for this year's harvest; and a tax exemption on cocoa exports for another year.

Central Bank Increases Rates; Stops Buying Gold

PY3010202091 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 29 Oct 91 Economic Section p 1

[Text] Brasilia—The Central Bank [BC] increased interest rates and temporarily stopped buying gold to force prices down. The bank is also trying to cool down the risk markets that reflect the insecurity of society regarding the future of the economy.

Pedro Bodin, BC monetary policy director, said: "We are trying to make time until the long-term measures begin to yield results." He referred to the sale of state-owned companies; the Big Amendment Project; fiscal reform; and the opening of the Brazilian economy to foreign investment. Arminio Fraga Neto, BC foreign area director, said: "We are aware that in the short-term the situation is bad."

Central Bank officials believe high interest rates will force the companies to stop increasing prices in order to sell their products because, with high interest rates, most consumers will be investing their money instead of buying things. High interest rates will also force those who speculate in gold to sell their stocks purchased with borrowed money because the price of this money will increase dramatically. The BC thus intends to slow down the inflation rate.

Exchange

Measures adopted by the BC will have other consequences. High interest rates can make the closing of exchange deals more attractive to exporters, who are expecting a new devaluation of the cruzeiro. With a closed exchange, the money can be channeled to the overnight market, which pays interest of 42 percent. According to Neto, the increase in interest rates, which began on 24 October, increased the availability of currency in the 28 October trade exchange market.

To withdraw gold from the scene and neutralize its effect as an expectations multiplier, the BC decided to temporarily disappear from the market that operates with cruzeiros. The exchange of gold for dollars, and vice versa, will continue. The BC hopes, however, to cut off the speculators' "fuel." As the gold market is closely linked to the parallel dollar market, an increase in one of them immediately reflects in the other.

This fuel consists of the national gold reserves that were being "consumed" to calm the market. Added to reserves in foreign currency, the gold reserves cannot be less than the equivalent to four months of imports ($6.7 billion). Neto said: "We had enough reserves to bet in the market, but we decided that it was not worthwhile."

According to BC Regulations Department Director Gustavo Loyola, the BC is counting on changes in the figuring of the TR [referential interest rate] to prevent investors from losing more money. Beginning in November, the TR calculations will be based on the interest rates of the CDBs [bank certificates of deposit] sold to people in the first six working days of each month; not in the last three working days of one month; and the first three days of the following month.

Assessment of BC's Actions

PY3110112491 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 29 Oct 91, p 3

[From the "Notes and Information" page: "The Brazilian Black Monday"]

[Text] What prompted the Central Bank [BC] yesterday to increase the interest rates paid on overnight [preceding word in English] deposits by 25.5 percent compared with those paid on Friday 25 October? The BC must answer this question. It is quite clear, however, that, if there was any doubt whether or not the Brazilian economy had entered a hyperinflation process, the BC has thus clearly confirmed it. The market reacted to the BC guidelines and Bank Deposit Certificates (CDB) increased by 105 percent; CDI [Interbank Deposit Certificates] by 23 percent; and the dollar exchange rate in the parallel market by 10 percent; all this in one single day!

Was President Collor getting even with the "cowardly businessmen" who insist on the need to reduce interest rates, yet who fail to propose an alternative monetary policy? The BC confirmed its independence, at least regarding the Sao Paulo State Federation of Industries (FIESP), by clearly establishing that to combat the soaring inflation rate it would fully resort to the orthodox tools at hand.

It is also possible to imagine, in view of the unreal Referential Interest Rate (TR), that people would be discouraged from investing in saving accounts, and they would suddenly withdraw their savings from the Special Remunerated Deposit (DER).It is also possible that the government is trying to prevent the monetization of unfrozen new cruzados, and that the BC is trying to show that it intended to remunerate investments with real rates.

Did the government also intend to readjust the exchange rate? It did hint that it was not in favor of a flight of capital. The BC informed in writing the gold market operators of its decision not to market gold for an indefinite period of time, thus favoring not only an increase of the price of gold (which occurred during the past few days through the tax reform), but also the exchange rate in the parallel dollar exchange market thus increasing the spread between the official and parallel market dollar exchange rate to 30 percent. Speculators will run serious risks if the BC intervenes once again. It is also feared that the BC, disappointed by the unfavorable results of the latest small devaluation which did not favor the payment of contracts tied to the dollar exchange rate, is trying—through remunerating government securities—to liquidate its reserves.

Developments during the past few weeks justify these assumptions. The expansion of the monetary base in September (16.4 percent for the average daily surplus, that is, a value equal to the inflation of the period) revealed that the main reasons for this great expansion are the unfreezing of new cruzados and withdrawals from the DER. The drop in international reserves—as confirmed by the decrees of export operations compared to the capital inflow in the financial market—may also explain the BC's strategy.

Another factor may also justify the BC's firm decision: The difficulty of placing internal debt notes on the market. Long term notes, in view of the inflationary escalation, have no chances of being marketed. But will increasing interest rates be enough?

We have already commented that in the midst of a high and growing inflation rate, raising interest rates can lose its purpose. It merely increases inflation even more. One can image the peoples' reaction if the BC suddenly establishes a 25 percent increase. Measures like this warn the economic agents that inflation will skyrocket. This, however, does not prevent credit transactions that, despite high interest rates, might be feasible if prices skyrocket in the next few weeks. In a situation like this, the only solution is to admit that a return to the indexation system is unavoidable. This system would, at least, offer the advantage of acknowledging the recent inflation rate and prevent further pressure on the current inflation rate. We must be realistic and, since the president of the Republic is asking for alternative monetary policies, make our contribution even if it represents a sour defeat for a president who intended to solve everything in one fell swoop.

In view of the BC's decision, which, according to some sources was adopted without consulting Economy Minister Marcilio Marques Moreira, lies the doubt whether or not President Collor intended to implement a new shock plan—which in turn would undoubtedly complicate our relations with the international financial community—or does he merely seek to begin a hyperinflation process which we have managed to artificially conceal for many years without being able to eliminate it completely?

Various circles currently believe that, after so many aborted attempts to eliminate the pressure exerted by prices, the only solution is to officially acknowledge the existence of hyperinflation and thus force the executive and legislative branches to acknowledge their responsibilities. It is common knowledge that one cannot live with hyperinflation for long and that solutions, no matter how unpleasant they may be, must be found. Equally, it is not possible to ignore the social and political risks of the alternative of merely admitting that nothing else can be done. The situation we are experiencing is serious and the president of the Republic should probably give the people a better explanation, if he chooses to do so.

Police Seize 300,000 Counterfeit Dollars

PY:010225291 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 30 Oct 91

[Text] Salvador, Bahia State, Federal Police seized the largest amount of counterfeit dollars ever found in the country. Dollar currency dealer Jorge Menezes Carvalhal Franca was arrested in possession of $300,000 in counterfeit bills. He already sold $7,200 to an individual who reported it to police. Jorge Franca was arrested redhanded while trying to exchange 50,000 counterfeit

dollars at the Bank of Brazil's central office. He revealed that he had $250,000 more hidden at home.

* GDP Up 7.7 Percent in Second Quarter

92SM0048C Sao Paulo GAZETA MERCANTIL in Portuguese 9 Oct 91 p 3

[Report by Rio correspondent Vera Saavedra Durao]

[Text] The Brazilian economy grew during the second quarter of 1991 by 7.7 percent over its first quarter level, and by 7.42 percent compared with the same period of 1990. This favorable performance led to a deceleration in the trajectory of the decline in Gross Domestic Product, which recorded an annualized rate as of June of minus 2.44 percent, lower than the minus 6.47 percent calculated as of March.

During the period analyzed, per capita GDP fell minus 4.5 percent to a level that still causes concern, but is better than the minus 8.5 percent drop per capita recorded as of March 1991.

Zero Growth

At this rate, if the final two quarters of 1991 show a positive growth, even if not as impressive as that of the second quarter, Brazil could fulfill the official forecast that said it would end 1991 with a stable GDP, i.e., zero growth. This was the appraisal by the chief of the National Accounts Department of the IBGE [Brazilian Institute of Geography and Statistics], Claudio Considera. He explained that a zero GDP this year would mean a production of goods and services identical to that of last year, which had fallen 4.4 percent from 1989. "Zero is better than starting to decline again," Considera commented.

In his opinion as a specialist in national accounts, however, Brazil is starting the 1990's on the negative side. "The results for the GDP in these first two years—1990 and 1991—are very poor."

Surprise at IBGE

The performance of the economy during the second quarter of the year, compared with that of the first quarter, came as a surprise to IBGE. After experiencing a recession that deepened the decline in production of goods and services by almost 7 percent Brazil, propelled by a accommodating monetary policy, improvements in wages and salaries (average real wages rose by 3.8 percent between April and June), a relatively low inflation rate (5 to 6 percent), the expectation that demand would heat up when the blocked cruzados were released, and the end of the Collor II price freeze, recorded a growth rate of 7.7 percent in April-June over January-March, something that has not occurred since 1980. To the IBGE, this performance signals "coming up from the bottom of the pit," of the recession.

Industry in general was the locomotive of the recovery in the seasonally-adjusted indicator of the GDP for the second quarter. It contributed 5.95 percent of the record growth of 7.7 percent in real quarterly product. The expansion of industry in general during the reporting period was 15.09 percent, with manufacturing growing by 14.14 percent and construction by 35.2 percent. Commerce was up by 10.45 percent. It should be noted that consumer durables rose by 22.38 percent. Even the capital goods sector reflected this recovery trend: it expanded by 6.15 percent over the second quarter of 1990.

Indicators Of Quarterly GDP, By Sector Of Activity

Indicator	1991—1st Quarter				1991—2nd Quarter			
	Agriculture	Industry	Services	GDP	Agriculture	Industry	Services	GDP
I	-1.01	-12.44	-2.11	-6.47	1.66	-5.93	-0.24	-2.44
II	3.57	-15.43	-2.17	-7.10	2.31	-1.82	1.37	0.23
III	3.57	-15.43	-2.17	-7.10	1.46	12.99	4.96	7.42
IV	-2.27	-7.00	-1.00	-3.62	1.08	15.09	3.57	7.77

Indicators: I—Four-quarter cumulative; II—One-year cumulative; III—Quarter/previous year quarter; IV—Quarter/previous quarter, seasonally adjusted

Source: IBGE

Accelerated Inflation

To Claudio Considera, this short-term recovery does not signal a trend. "Let's see what happens between now and December, given the atmosphere of accelerated inflation, contraction of wages, and the midi-devaluation of the cruzeiro." In his opinion, third quarter growth will be on the plus side, as it will still be reflecting the fine performance of the second. The last quarter is an unknown, since factors such as a recessionary trend, the result of "interest rate shock" combined with rising inflation rates, will enter the picture once again and hamper production activity.

Schedule of Further Privatizations Announced

PY3010171091 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 29 Oct 91

[Text] Today in Rio de Janeiro, Infrastructure Minister Joao Santana told a group of foreign businessmen interested in the Brazilian privatization program that all state-owned iron and steel mills will be privatized by early 1993.

Santana participated in the 32d Latin American Iron and Steel Congress that ends tomorrow at the Intercontinental Hotel.

The conference is being held to discuss economic and political aspects, and production and marketing of the iron and steel industry. The Santana addressed some 600 international representatives of this industry who are interested in the privatization process.

Santana told the businessmen that by early 1993 all Brazilian state-owned iron and steel mills will have been privatized. He recalled the success of the Usiminas [Minas Gerais Iron and Steel Mills, Inc.] auction.

Santana took advantage of the opportunity to encourage the participation of foreign investors in an attempt to reverse the trend at the Usiminas auction where very few foreigners purchased shares.

Santana added that by March 1992 the (?Cordenor), the Tubarao, and the Acos Piratini iron and steel mills, which are as profitable as Usiminas, will have been privatized.

Moreover, the privatization of the Bacia Do Prata Shipping Company, headquartered in Corumba, Mato Grosso, will take place on 14 January 1992. A reserve of 197.85 cruzeiros per share was set and it is estimated that the transaction will yield 8.3 billion cruzeiros which represents 90 percent of its capital. The remaining 10 percent of the shares will be kept for the company's workers.

Currently the company owns 52 ships with a capacity of 35,000 tons.

Celma Auction Postponed

PY3010153091 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 29 Oct 91

[Excerpts] The Rio de Janeiro Supreme Court suspended the auction of Celma [Electromechanic Company] shares that was scheduled for 1 November. Tomorrow the BNDES [National Bank for Economic and Social Development] will appeal against the court injunction. [passage omitted]

According to Gustavo Pepedino, representative of the Attorney General's office who filed the request to suspend the auction, the privatization of Celma will make Brazilian military aviation seriously dependent on foreign enterprises because Celma holds the monopoly of services to repair turbines and aircraft engines.

Celma's privatization will increase costs for civilian aviation companies which will have to resort to workshops abroad.

The BNDES believes there is still enough time to revert to court decision and hold Celma's privatization auction on 1 November at the Rio de Janeiro Stock Exchange.

Plan To Mark Indian Reservations Announced

PY2910174691 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 29 Oct 91

[Text] President Fernando Collor announced today the demarcation of 71 Indian reservations located in 13 states. The demarcation of Yanomami Indian reserves scheduled for today was postponed. Collor decided to closely analyze this matter. The government plans to complete the task on all Indian reservations by 1994.

Rezek Notes Steps for Implementing Mercosur

PY3010004[illegible] Brasilia Voz do Brasil Network in Portuguese 2100 GMT 29 Oct 91

[Text] Brazil and Argentina will ratify tomorrow the Common Market of the South, Mercosur, treaty, which was already ratified with Uruguay and Paraguay. This information was disclosed by Brazilian Foreign Minister Francisco Rezek after a meeting with President Fernando Collor at Planalto Palace.

Minister Rezek also said that the economic differences between Brazil, Argentina, Paraguay, and Uruguay should be leveled by December 1994.

[Begin Rezek recording] There is no doubt that our current inflation problem is very serious and must be solved before the transition period is over. We cannot promote Mercosur properly with a high inflation rate. Therefore, it is not just a matter of gradually reducing our customs tariffs until we reach zero by late 1994. It is also a matter of coordinating production or establishing single tariffs for products imported from countries that do not belong to the group of four. We must also streamline our economy and certain foreign exchange rules and stabilize our currencies. From this point of view, the task that lies ahead of Brazil is more complex than that of our partners. However, Brazil is a country capable of facing problems of this nature. [end recording]

Rezek also said that the transition period prior to the implementation of Mercosur ends in late 1994, and it is believed that Brazil will have solved its most serious economic problems by then.

Jobs for GDR Citizens Discussed With Kohl

PY3010205291 Sao Paulo O ESTADO DE S.IO PAULO in Portuguese 29 Oct 91 Political Section p 5

[Report by William Waack]

[Text] The government is offering Germany the possibility of receiving immigrants from the former GDR. On 24 October, Itamaraty handed the document to the members of the delegation accompanying Helmut Kohl, who was in Brasilia, one of the stopovers of his visit that took him to the Amazonian jungle. Before leaving Sao Paulo for Rio de Janeiro, a source for the German delegation said: "We asked the Brazilians for a period of time in order to think about the matter and then give an answer."

The document, which is known in diplomatic jargon as a non-paper [two preceding words in English], sums up the viewpoints of and the talks between Brazilian and German diplomats. The idea of recruiting highly qualified manpower—people who are willing to try a new life in Brazil—in East Europe was discussed for some time within Itamaraty and was now mentioned for the first time to the Germans. "We were greatly surprised," said another German source. "The topic was not part of the talks between Collor and Kohl, and I cannot forecast what our position will be," he added.

Kohl was surprised when he passed through Blumenau (SC) [Santa Catarina State] last week when a group of Germans greeted him in the typical dialect of Saxony, a region that belonged to the former GDR. Resorting to old family ties and suffering from the lack of professional opportunities in their region, those Germans were trying to find new opportunities in the south of the country.

The offer that was made to the Germans is only a preliminary one and it does not include detailed proposals on groups of immigrants, the type of professional training, schooling, or eventual plans of financing by Germany itself. In a protocol form, the Brazilian initiative was received by the German Foreign Ministry, which presumably has not yet officially consulted with the chancellor. Today Kohl concludes his one-week stay in Brazil. Agreements were signed, especially in the environmental sector, during his visit.

Chile

Controversy Between Aylwin, Opposition Explained

PY3010123891 Santiago Radio Nacional de Chile Network in Spanish 1000 GMT 30 Oct 91

[Text] President Aylwin decided not to grant an audience to representatives of the Renewal Party [RN] because of the aggressive tone used by its leaders. Secretary General of Government Enrique Correa said that President Aylwin received the letter containing the RN request for an audience at the same time as he was reading it in the newspaper. Correa said that the letters were apparently sent simultaneously to the president and to the press.

[Begin Correa recording] The country is aware of the attitude of the president and his willingness to permanently talk with the opposition, to listen to proposals, and to include them when he deems it positive for the country. But in view of the aggressive tone of some of the RN leaders, including its president, the president of the Republic considers the circumstances not appropriate to grant them an audience for the time being. [end recording]

Correa noted that ministers of the political area have always been ready to hold audiences whenever opposition leaders request them.

Party Leaders Support Presidential Mandate

PY3010173291 Santiago Radio Chilena Network in Spanish 1600 GMT 29 Oct 91

[Text] Enrique Correa, minister secretary general of government, said today that representatives of the congressional blocs and leaders of the parties that make up the Coalition of Parties for Democracy gave a free hand to the president of the Republic to make all the changes he may deem necessary, reasserting his authority in deciding who should serve on the government's team.

Correa made the announcement upon releasing details of a meeting held yesterday at La Moneda Palace, at which the need to evaluate the performance of the government and of its officials was raised. He said:

[Begin recording] The worst thing that could happen to a government is to indulge in self-satisfaction. The country and the people expect all elected officials to strictly adhere to professional conduct, discharging the public duties of the office to which they were elected. From this standpoint, the need to evaluate the performance of a government official is a rule that should be followed by any sound government. [end recording]

Correa said that the parties spoke of the need to improve the efficiency of the government; to never overlook the priority fight against poverty; to intensify contacts with the people; and to give more and better information on the government's achievements. He elaborated on this topic:

[Begin recording] No one present at the meeting advocated pro-government propaganda or substantial changes in the way we currently approach information dissemination within the government, but everyone agreed on the need and the obligation of the government to give increasingly more and better information on its achievements and progress, as well as the people's ability to enjoy such achievements and progress. [end recording]

In Correa's opinion, the meeting was both productive and busy. He said that the government and the coalition

emerged stronger from the meeting and expressed their unanimous decision to jointly undertake the upcoming municipal and presidential elections.

Commenting on charges by a faction of the Socialist Party that solidarity prevails within the cabinet, Correa said he takes this as a compliment rather than as a charge.

[Begin recording] We are very happy about the atmosphere of solidarity prevailing within the government. We are aware that this solidarity is instrumental in promoting stability and progress in the country. It would be a disservice to the nation if our government were overwhelmed by internal partisan disputes, which are entirely out of keeping with our working habits and modus operandi. I believe we have a harmonious team of men who are loyal to the president. This is what the people expect from us, and we are not going to change our position. [end recording]

Commenting on the results of a survey conducted by the Center for Contemporary Reality Studies, which reveals the people's priority concern on the subject of violence, Correa emphasized the support given to the government which, he said, ultimately shows that the people have confidence in the government.

Correa voiced confidence that democracy will ultimately be a reality, with full respect for individual rights. The government will contribute to solving the people's security problems. He said that the only way to achieve this is by strengthening and modernizing the police organizations. Furthermore, he urged those concerned to depoliticize the subject of violence and to refrain from using it as a political banner either to benefit the government or the opposition. He also urged that violence be treated as a national issue and thus create an atmosphere in which the police can work effectively and without obstacles in their fight on crime.

PPD Deputy Discloses Secret Pinochet Spending

PY3110011891 Santiago Radio Cooperativa Network in Spanish 2200 GMT 30 Oct 91

[Text] Army Commander in Chief General Augusto Pinochet has a $3 million allocation for secret spending outside the supervision of the comptroller general's office. This allocation is significantly higher than the allocations for secret spending by the commanders of the other branches.

This information was reported by PPD [Party for Democracy] Deputy Vicente Sota, who announced that a note will be submitted to the defense minister to reiterate some questions about military spending.

According to Sota, Defense Minister Patricio Rojas only gave general answers to the questions asked of him by the second budget subcommittee. The questions dealt with the Armed Forces' allocations; troop and officers' salaries; the management balance of state-run military industries; and the use of 10 percent of the copper export income, which a secret law has earmarked for purchases by military institutions.

[Begin Sota recording] We want to know what they did with the copper export income, especially because some Armed Forces institutions told us that there are obligations that will be paid with such income over the next 10 years. We want to know. We also want detailed information on the secret expenses.

According to information obtained by our assistants, which I will release in writing, the Army commander in chief has an allocation for secret spending of nearly $3 million, and the secret spending of the commanders of the other branches is considerably lower. [end recording]

Another question asked by Sota deals with the real estate that the Armed Forces bought in the last 17 years.

As of 1500, the second budget subcommittee analyzed the budget for the Navy, Air Force, Carabineros, and the Investigative Police.

Inquiry of Colonels in Letelier Case Suspended

PY3010164891 Santiago Radio Chilena Network in Spanish 1600 GMT 29 Oct 91

[Text] Judge Adolfo Banados stated today that, for the time being, it is not essential to continue the questioning of active service colonels. He made the decision after questioning Colonels Pablo Belmar and Guillermo Salinas last week.

Upon leaving his residence today, Banados said that Michael Townley's connection with the National Intelligence Directorate [DINA] is clearly established.

[Begin recording] [Banados] For the time being, no. I think it is not essential.

[Unidentified reporter] What about Michael Townley's situation. Has his connection with the DINA been fully established?

[Banados] Not completely, but it could be said that it has been satisfactorily established. Besides, you know that everything now depends on the court's decision. [end recording]

Banados also said that there is still no evidence that Townley had ties with the CIA.

Banados is continuing to interrogate, however, some former employees of the National Airline [LAN] who had some contacts with DINA officials because of the position they held at the airline.

Today, Banados questioned former pilot Manuel Rubio, who spent more than 90 minutes in the judge's chambers.

[Begin recording] [Reporter] What did you testify on at the judge's chambers?

[Rubio] I testified on some details concerning LAN flights.

[Reporter] What did you have to do with those flights?

[Rubio] I was a LAN pilot at that time.

[Reporter] Did you give any information on the trips made to Chile by Virgilio Paz and Heriberto Suarez?

[Rubio] No. That was not on the record. [end recording]

Judge Banados is expected to interrogate other witnesses this afternoon. In the meantime, the Supreme Court will continue to listen to the study conducted on the case by Justice Lamberto Cisternas in the appeal filed against their indictment by General Manuel Contreras and Brigadier Pedro Espinoza.

Faction's Charges of Persecution Refuted

PY3110014091 Santiago EL MERCURIO in Spanish 24 Oct 91 pp A1, A12

[Report by Hernan Cisternas Arellano]

[Text] Valparaiso—Secretary General of Government Enrique Correa said in this port on 23 October that no one is placing obstacles in the path of the Manuel Rodriguez Movement [MMR], a faction that split from the Manuel Rodriguez Front. The faction also gave up the armed struggle and the intention of its members to re-incorporate themselves into the country's social life. But, as a prior condition, it is necessary for those members who have pending problems with the courts to resolve them.

The secretary of state, who on 23 October participated in a meeting organized by the Student Federation of the Catholic University of Valparaiso, referred to the topic when he was asked by the press about the remarks made by national MMR leaders, who said in this city that they were subject to persecution. The MMR also asked the government to tell them whether it wanted them to continue with the process of becoming a political movement.

Correa said that the government deems as very positive any call for the abandoning of weapons and violence as a form of political struggle, something that society will naturally accept, but "some MMR militants have pending problems with the courts. A civilized method within the law and the state of law must be found to resolve them."

He added: "Once this has been resolved I do not believe anyone will place obstacles in the path that will lead them to a return to a social life." [passage omitted]

Guerrilla Faction Leader Denounces Repression

PY3110001491 Santiago EL MERCURIO in Spanish 22 Oct 91 pp C1, C8

[Report by Hernan Cisternas Arellano]

[Excerpts] Valparaiso—Leandro Torchio, the national deputy coordinator of the Manuel Rodriguez Movement [MMR] (a faction of the former FMR [Manuel Rodriguez Front]), stated in this port on 21 October that "there is a national campaign of repression against the Rodriguistas, especially those belonging to the MMR." He asked the government if with this type of action there is the intention of preventing the organization that gave up the armed struggle from taking the steps that are leading it to another form of action different from that of the FMR, the organization from which the MMR split.

He said that the decision was adopted with the understanding that "a point of no return" was reached within democracy, and that they will continue with the appropriate steps to become a political movement, unless a dictatorship is installed, and "if that is the case we will not hesitate to again take up arms. It does not matter if we do not have them now; they can always be obtained."

Torchio harshly slammed the government, saying: "It did not have the courage" to face the changes that, in his opinion, Chile needs. "Basic changes in the Armed Forces and a purging of Carabineros to prevent what happened in Valparaiso on Sunday from occurring again," he added.

The MMR leader held a news conference in order to refer to the incidents at the end of the funeral of Mauricio Arenas Bejas, an FMR gunman, when the people were leaving the Playa Ancha Cemetery. Luis Guerra Olivares, regional MMR coordinator, and his brother, Juan Guerra Olivares, were arrested due to the incidents. The former was released and participated in the news conference, while the latter was placed in custody of the military prosecutor, and Carabineros accused him of aggression against uniformed police. [passage omitted]

Torchio explained that MMR leaders are being persecuted and followed. [passage omitted]

Peruvian Official, Rojas Discount Arms Buildup

PY3110021291 Santiago Television Nacional de Chile Network in Spanish 2330 GMT 30 Oct 91

[Text] Chilean Defense Minister Patricio Rojas and his Peruvian counterpart, Jorge Torres Aciego, said that neither of their countries is promoting an arms buildup, adding that both nations are using their economic resources to promote the development of their people.

The ministers made these statements after releasing a joint communique that outlined the objectives and results of the Peruvian minister's visit to our country.

Minister Torres was impressed at the professional and technological level of the Chilean Armed Forces, adding that he did not see any wish to engage in an arms buildup.

[Begin recording] As far as we are concerned, in Peru, as you know, we are going through a very difficult economic crisis. We are trying to overcome this crisis, and I believe that to invest part of our resources now in weapons would be foolish. [end recording]

For his part, Rojas said military relations between Peru and Chile are at a new stage.

[Begin recording] Just as we had crises and disagreements in the past, we should now state that for the future we share a common objective of peace, friendship, mutual confidence, and, obviously, the great challenge of current times, which is the development, growth, and well-being of our people. This is the priority objective of our governments and of those of us who have the responsibility of governing. [end recording]

Official on Case of Illegal Korean Immigrants

PY3010131491 Santiago Television Nacional de Chile Network in Spanish 2330 GMT 29 Oct 91

[Excerpts] The government denied that 160 Koreans were expelled from Chile. Interior Ministry Under Secretary Belisario Velasco explained that the situation of 200 illegal Korean immigrants is now being analyzed. [passage omitted]

Belisario Velasco explained the situation:

[Begin recording] These Koreans arrived on tourist visas that have now expired. They failed to report to the immigration department to legalize their situation and to comply with Chilean law.

Now, if they want to stay in Chile and work they should have the corresponding work contracts. Some of these 160 Koreans have no contracts. No impositions have been made on them, but we have to enforce not only the law of foreigners but also Chilean labor laws and all applicable regulations. [end recording]

Velasco said that the talks he held with the Korean ambassador were friendly, adding that at no time has the ambassador protested. He added that the immigration department will reconsider the case of the illegal Korean immigrants, and will adopt measures in 120 days.

Colombia

Government Introduces New Monetary Measures

PA3010231191 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 29 Oct 91

[Text] In the United States, outgoing Economic Development Minister Ernesto Samper Pizarro stated that he does not agree with the economic measures approved by the board of directors of Banco de la Republica. The measures are aimed at increasing banking reserves, withdrawing more than 250 million pesos from circulation, and freezing all export dollars for 12 months.

To restrict the amount of money currently in circulation, the government has adopted new economic measures.

The ordinary reserve increase was fixed at 41 percent. The reserve is a percentage of funds deposited by private banks in Banco de la Republica that is in turn frozen. In other words, it is taken out of circulation.

This means that for every 100 pesos deposited, approximately 41 pesos will be frozen. The period for cashing exchange certificates has been extended from 90 to 360 days. Certificates of exchange are documents exporters receive as proof of sale so they do not immediately exchange dollars for pesos. This is why the new measure has affected mostly exports.

[Begin recording] [Businessman Felipe Zuleta Llera] The government should look for alternative measures to control the inflation rate. The government should also be the first to tighten its belt and set an example by cutting the fiscal deficit and operating costs and by sharing the burden with exporters. [end recording]

Those who have their accounts with the banks will also be affected by the new measures because there will be less money for banks to lend. In addition, a fall in the U.S. dollar is expected in the open market because there will be fewer pesos paid for each dollar.

Ecuador

Guerrilla Leader Calls Comrades 'Traitors'

PA3010230491 Mexico City NOTIMEX in Spanish 1837 GMT 28 Oct 91

[Text] Quito, 28 Oct (NOTIMEX)—Guerrilla leader Patricio Baquerizo termed as traitors the leaders who requested an affiliation with the government's party after proclaiming the dissolution of the demobilized group "Alfaro Lives Dammit" [AVC].

The group of infiltrators and traitors who betrayed the AVC have distorted the goal, the implementation of democracy and social justice, sought by Ecuadoran rebels, he said.

In an interview published by a local newspaper on 29 October, Baquerizo criticized the leaders and activists who proclaimed AVC's dissolution on 21 October and announced their decision to follow the ruling Democratic Left [ID].

The leader of the dissolved rebel group's dissidents, who is serving a sentence for illegally possessing explosives, said the leaders who decided to abandon the armed struggle "deceived the national and international community."

Baquerizo said the pact signed between these leaders and Rodrigo Borja's administration in 1989 (to demobilize the group) was based on "a false negotiation whose essential points are unknown."

"AVC's life does not end with a simple declaration issued by a minor group of former comrades, paid by the ID government, who intend to eliminate those who are firmly convinced that the struggle must continue," he added.

AVC, whose guerrilla activities reached their highest point during Leon Febres Cordero's administration, legalized its situation in 1989 after reaching an agreement with the current social democratic regime.

Peru

Fujimori on Prime Minister's Possible Resignation

PA3010162391 Lima Panamericana Television Network in Spanish 1232 GMT 30 Oct 91

[Text] President Alberto Fujimori has reaffirmed his trust in Prime Minister Carlos Torres y Torres Lara and his entire cabinet. Fujimori was referring to statements by the man who serves as both prime minister and foreign minister, who expressed a desire to leave his post in mid-November.

[Begin recording] [Fujimori] That is the position that he has stated publicly, but it has always been presumed and understood that ministers leave their cabinet posts at the convenience of the Presidency. Cabinet posts are not a permanent commitment, but I will take advantage of this opportunity to praise the work done by this and previous cabinets. They have been very positive cabinets.

[Reporter] Has this been a coordinated resignation? Prime Minister Carlos Torres y Torres Lara has spoken of the government's third stage. Can we conclude that this resignation was planned?

[Fujimori] Actually, it is not a matter of going into a third stage. It is the same process that leads to the country's reconstruction. If changes are necessary at a certain time, they will be announced.

[Reporter] When will the changes be announced?

[Fujimori] Changes will not be announced yet. It is just a possibility. I repeat, ministers always place their posts at the convenience of the president.

[Reporter] Will a businessman replace him, as the prime minister himself has mentioned?

[Fujimori] I have not even thought about who it might be. I am simply pleased with the job done by my cabinet.

[Reporter] Will you accept his resignation?

[Fujimori] I have not yet received his letter.

[Reporter] Are you pleased with the job done by the prime minister?

[Fujimori] Yes.

[Reporter] What is your opinion of the decision by Carlos Torres y Torres Lara?

[Fujimori] I repeat. It is a personal decision, possibly because...

[Reporter, interrupting] He is being pressed.

[Fujimori] He wants to give the president the freedom to act at a time in which he believes a stage has been completed. However, I have not yet taken that into consideration.

[Reporter] Mr. President, the resignation announcement was made just as you returned from a tour of Europe. According to many knowledgeable people, it was a beneficial trip. Does this mean that there is an emerging crisis in the cabinet?

[Fujimori] Absolutely not. I have complete trust in my cabinet. Even though there may be changes in the future—I repeat, and I believe I can do it on behalf of the country—the job done by the cabinet, the job done by all of its members has been extraordinary. [end recording]

Fujimori Visits Spain, France, Italy

#PA3010162091

For reportage on the visit by President Fujimori to Spain, France, and Italy, including reports on his talks with Spanish Prime Minister Felipe Gonzalez and his Lima Radio interview on his European tour, please see the Spain and Italy & Vatican City sections of the 24 October West Europe DAILY REPORT and subsequent issues.

Public Poll Reports Low Police Prestige

PA3110002791 Lima Panamericana de Television Network in Spanish 1200 GMT 29 Oct 91

[Report by Alejandro Guerrero]

[Excerpt] This has been a particularly unlucky week for the National Police. It all started with the announcement made by a member of parliament, who said that no raise will be approved until there is an in-depth reorganization of the corps; and it ended with the scandal about the sale of police corps promotion tests.

On 26 October, a polling company asked the people:

Should the National Police be dismantled, and a new one established? Fifty-one percent of the people agreed; 40 percent said they disagreed; and 9 percent did not state their views. What does a policeman inspire—security or fear? Almost two-thirds of the people polled said that a policeman inspires more fear than security; 26 percent still trusts them; 13 percent had no comment.

Are these figures really reliable? Do they reveal the people's feelings toward the police, or is this the result of an avalanche of information on the bad conduct of a few

policemen? What is failing within the police, the men or the structure of the organization?

The first attempt to reorganize the National Police was made in 1985. Several hundred subalterns were dismissed, and the number of generals was reduced. The Civil Guard became the police; the Republican Guard became the Security Police; and the Peruvian Investigative Police became the Technical Police. A director general was appointed and, theoretically, all of the police were united. This works only in theory, because the three institutions still have their directors and the policemen act independently in each one.

Now, when the first reorganization has yet to conclude and when significant achievements have yet to be seen, there is talk about a new reorganization; and there is even talk about dismissing all policemen. The economic aspect, meaning the low salaries the policemen earn, is definitely not the entire problem. There are many more elements that should be taken into consideration within this new reorganization. Although this is not a justification, the extremely low salaries policemen earn has led them to commit crimes or to seek a supplementary salary that later cuts into their time to fulfill their police duty.

A watchman earns an average of 200 soles; a night guard in the Miraflores municipality earns 180 soles; a bodyguard earns 300 soles; and a policeman with 15 years of service earns 190 soles. Should the authorities wait until a reorganization is completed to give them a raise? How long will this second reorganization last? What will be the results? No one knows. The policemen continue to wait. [passage omitted]

* Correction to Document on Human Rights Policy

92SM0026D

[Text] The following corrections pertain to the item headlined "Official Document Outlines Human Rights Policy," published in the 24 October Latin America DAILY REPORT, pages 26-30:

Page 29, column two, under subhead "Effort Judged 'Sincere'," make sourceline read: 92SM0026B Lima EL PERUANO in Spanish 20 Sep 91 p 6-A (supplying correct source, date, and page).

Page 30, column two, under subhead "Content Questioned," make sourceline read: 92SM0026C Lima SI in Spanish 16-22 Sep 91 p 13 (supplying correct source, date, and page).

Venezuela

Government Suspends Oil Shipments to Haiti

PA3010195291 Paris AFP in Spanish 1428 GMT 30 Oct 91

[Text] Caracas, 30 Oct (AFP)—The government suspended its supply of hydrocarbons to Haiti in compliance with the resolution approved by OAS member countries. The OAS members agreed to suspend all financial, economic, and trade ties with Haiti as long as the legitimate government of Jean-Bertrand Aristide is not restored.

According to a Foreign Ministry communique published in Caracas today, the Foreign Ministry, as well as the Energy and Mines Ministry, took the necessary measures to ensure the suspension of all supplies of hydrocarbons to Haiti.

"As a result, all customers of Venezuelan Petroleum, Inc. and its subsidiaries are advised of this suspension, which the national government is willing to enforce very strictly," the communique reads.

Lack of Potable Water Service Sparks Protests

PA3010164991 Paris AFP in Spanish 0126 GMT 29 Oct 91

[Text] San Cristobal, Venezuela, 28 Oct (AFP)—The local news agency INVAC reported on 28 October that 11 policemen were wounded and 25 students were arrested in different protests in response to deficiencies in the potable water service.

The policemen were wounded after being stoned in a poor and heavily populated neighborhood in San Cristobal (600 km southwest of Caracas), where residents do not have potable water service.

The authorities reportedly dispersed demonstrators using tear gas. In Sabaneta, in the western state (province) of Barinas, students set the furniture of the municipal council on fire on a local street, as they protested the lack of maintenance for the water lines.

The police, who arrested 25 protesters, dispersed demonstrators using tear gas.

The potable water service is particularly ineffective in Venezuela, but the population seldom blocks important highways to protest such ineffectiveness.

*Police Shortage, Lack of Uniform Laws Detailed

92SM0034B Caracas EL NACIONAL in Spanish (Section D) 23 Sep 91 p 6

[Article by Fernanda Goncalves; first paragraph is introduction]

[Text] A General Comptroller's Office document reveals that the number of 35,000 uniformed police has remained constant in Venezuela since 1989. Franklin Chaparro Rojas believes that lack of punishment for criminal actions encourages criminals.

The former Disip [Directorate of Intelligence and Prevention Services] secretary general, Franklin Chaparro Rojas, has stated that Venezuela has no definite criminal policy, and that lack of punishment for criminal actions encourages criminals.

He said the methods used by police forces to decrease crime statistics only favor "spasmodic" actions, and that is why the growth in crime has been disproportionate.

Chaparro cited the controversy about statements by Interior Minister Alejandro Izaguirre about a possible budget deficit in his office, and the shortage of 23,000 uniformed police officers in Venezuela.

He revealed that Venezuela has needed that number of uniformed police officers since 1989, according to a study prepared by the General Comptroller's Office.

He explained that this figure of 23,000 uniformed police officers does not include the shortage of officers assigned to jobs related to control of foreigners and state security, Dsie [expansion not given] and Disip.

If plainclothes agents are included, he said, then 60,000 police agents would be needed all over Venezuela.

The December 1989 study by the Office for States and Municipalities of the Comptroller's Office shows that "the police do not have uniform, coherent, and up-to-date legislation regulating their operations."

Chaparro noted that of the 23 police departments evaluated by the Comptroller's Office, 20 have a Police Code, 21 have Promotion Regulations, 18 a Social Benefits Law, and all have Disciplinary Penalties Regulations.

He added that of the 10 laws governing police force operations, the Police Code, the Federal District Police Force Regulations, the Promotion Regulations, Disciplinary Penalties, and Social Benefits Laws all suffer from countless deficiencies.

The five remaining laws—State Retirement and Pensions Law, Social Security Law and its regulations, Retirement and Pensions Law for Officials or Employees of the National Public Administration, the States and Municipalities, and the Federal District Police Force Regulation—are applied in a disparate manner.

Deficiencies Found

a) Police Code

There is no uniformity in the subordination of police departments. They are assigned indifferently to the governor, the policy department or the secretary general, and in some cases to policy or security and public order divisions of the regional executives.

Completion of a police training course is not a requisite for joining a police department. Barring some notable exceptions like the Aragua Security and Public Order Force, educational requirements range from a sixth grade educational level to knowing how to read and write.

There is no mention at all of the existence of police careers.

The only modifications introduced are related to the provision of surveillance services and the Promotion Regulations, dating from 1957.

There are no uniform standards about police authority.

b) Promotion Regulations

Police officers' length of service is not considered, and only minimum periods of service in the previous post are included. Therefore, with other conditions being equal, a police officer with minimum service time and another with a longer length of service would have the same right to promotion.

The names of officers' ranks (officer second class, officer first class, chief officer, inspector second class, and chief inspector) listed in most cases do not correspond with current police ranks, as they have been replaced by the ranks of deputy inspector, inspector, chief inspector, deputy commissioner, commissioner, and general commissioner.

The time required for remaining in each rank differs from one police force to another.

Promotion, even from the lowest level, is at the discretion of the command. This prevents the development of an orderly career in which a police officer rises through courses leading to immediate promotion to a higher rank.

c) Social Benefits Laws

Six of these laws were recently promulgated (1989), and for that reason have not yet begun to provide their intended benefits.

None of these six laws contains uniform provisions in regard to: benefits granted to the police in each department; factors serving as a basis for calculating monetary benefits; granting social benefits to police officers; and recognition of years of service for the purpose of payment of benefits.

d) Pension and Retirement Benefits

There are no legal regulations governing the granting of retirement benefits to police officers.

The administrative structure of police forces is not homogenous; there are not two identical structures anywhere in Venezuela.

The organization of police forces is heterogenous; it does not correspond to what might be called a standardized structure, established on the basis of relevant parameters such as population or the size of the territory served.

Nor is the operational structure of police forces uniform.

428 Kilometers Per Unit

Franklin Chaparro Rojas, former Disip secretary general, said that based on United Nations statistics, there should be three police officers for each 1,000 inhabitants.

He said that if we accept as valid the report of the Central Office of Statistics and Data that Venezuela has an estimated population of 20 million people, this demonstrates the existence of a shortage of both uniformed and plainclothes police.

He said that in 1989 when the Office for States and Municipalities of the General Comptroller's Office prepared its analysis of police forces, it found that there were barely 35,000 uniformed police agents. In 19 units, 2,022 officers performed duties unrelated to police functions, 4,232 were assigned to nonpolice organizations, and 348 agents were on indefinite leave, awaiting their retirement or pension.

When we add that the minimum salary ranges between 4,000 and 5,000 and the maximum salary between 6,000 and 8,000, any expectations about police efficiency vanish.

Concerning the vehicle-territory covered ratio that should exist, the former Disip secretary general said that the number of units assigned to patrol duty is so low that for each 428 km there is barely one unit on constant patrol duty.

As Venezuela's territory covers 911,000 square km, that figure is not very encouraging.

The security expert also spoke of the number of weapons assigned to police organizations in 1989.

At that time the figure did not exceed 63,131 weapons. Of these, only 2.02 percent were in the hands of the Judicial Technical Police and the courts; 7.13 percent were in the possession of officials, former officials, and private individuals; 9.82 percent had been lost; 1.49 percent were unusable; 0.48 percent had been transferred to the national supply; 0.68 percent were being repaired; 8.48 percent were in poor condition; and 0.90 percent were in the process of decommissioning or had already been decommissioned.

This means that the original figure of 63,131 was down to 43,564 weapons. That is 69 percent of the assigned arms, and since then it has become even more disturbing—not to mention the current quantities.

Comparison of Actual Personnel Strength and Level Needed by Venezuelan Police Departments as of 31 August 1989

Police Departments	Population	Police Strength	Police Strength Needed (1 x 500 Inhabitants) (*)	Shortage
Federal District	3,998,786	6,586	11,702	-5,116
Anzoategui	864,828	1,554	2,594	-1,040
Apure	249,727	785	749	+36
Aragua	1,394,493	1,955	3,928	-1,987
Barinas	468,069	1,185	1,380	-197
Bolivar	986,168	1,959	2,959	-1,000
Carabobo	1,573,106	2,262	4,719	-2,457
Cojedes	195,756	594	588	+13
Falcon	627,000	940	1,882	-942
Guarico	477,701	1,142	1,495	-353
Lara	1,227,150	2,135	3,682	-548
Miranda	722,223	1,352	2,167	-815
Monagas	504,195	840	1,512	-672
Nueva Esparta	277,360	659	834	-175
Portuguesa	567,071	1,137	1,701	-564
Sucre	740,329	1,647	2,224	-577
Tachira	845,063	1,385	2,535	-1,150
Trujillo	547,681	1,038	1,643	-605
Yaracuy	376,049	954	1,128	-74
Zulia	2,179,252	3,528	6,537	-3,009
Amazonas TF [Federal Territory]	84,511	225	253	-28
Delta Amacuro TF	97,149	356	291	+65

Comparison of Actual Personnel Strength and Level Needed by Venezuelan Police Departments as of 31 August 1989 (Continued)

Police Departments	Population	Police Strength	Police Strength Needed (3 x 100 Inhabitants) (*)	Shortage
Total	19,454,713(1)	35,553	58,357	-22,804

(*) Reference figures from the United Nations.

(1) Resolution No. 47-89 of 29 August 1989 of the Supreme Electoral Council, G.O. No 34.307 of 18 September 1989.

Note: For the purpose of comparison, the populations of the municipalities of Sucre, Baruta, Zamora and Plaza (1,271,938 inhabitants) are included in the Federal District and excluded from Miranda State.

Ratio Between Vehicles Assigned to Venezuelan Police Forces as of 31 August 1989 and the Size of the Territory Served

Police Departments	Territorial Size in Square Km (1)	Operational Vehicles	Km Served to Vehicle Ratio
Federal District	1,930	790	2
[illegible]	43,300	56	773
[illegible]	76,500	20	3,825
[illegible]	7,014	175	40
[illegible]	35,200	30	926
[illegible]	238,000	41	5,805
[illegible]	4,650	139	33
[illegible]	14,800	13	1,138
[illegible]	24,800	42	590
[illegible]	64,986	57	1,140
[illegible]	19,800	147	134
[illegible]	11,300	52	217
[illegible]	7,950	89	89
[illegible]	28,900	24	1,204
[illegible]	1,250	45	25
[illegible]	15,200	36	422
[illegible]	11,800	43	274
[illegible]	11,100	97	114
[illegible]	7,400	64	115
[illegible]	7,100	20	355
[illegible]	63,100	124	508
[illegible]	175,750	9	19,527
[illegible]	40,200	9	4,466
Total	911,930	2,130	428

(1) Political-Territorial Division of Venezuela. Central Office of Statistics and Data. Office of the Presidency of the Republic, 1985. This does not include territory of the Caribbean islands (120 square km).

Raising Police Morale

Chaparro Rojas emphasized that it is essential to improve the morale, social, and economic conditions of the police to ensure their good performance.

He said it is inappropriate to stigmatize police forces; with an adequate salary, he said, the administration of justice will improve, which would help to reduce crime.

He also suggested attacking the lack of retribution for criminal activity, so that criminals will not be encouraged by the lack of effective penalties.

In closing, he said Venezuela must promote self-defense systems for neighborhood protection, as they are "at the forefront in preventing crime." Reports